

Mt. Shasta City Council Regular City Council Meeting Agenda

Mt. Shasta Community Center, 629 Alder Street

Monday, November 24, 2014; 5:30 p.m.

“Our mission is to maintain the character of our “small town” community while striking an appropriate balance between economic development and preservation of our quality of life. We help create a dynamic and vital City by providing quality, cost-effective municipal services and by forming partnerships with residents and organizations in the constant pursuit of excellence.”

Page	Item	STANDING AGENDA ITEMS
	1.	Call to Order and Flag Salute
	2.	Roll call
	3.	Special Presentations & Announcements: <ul style="list-style-type: none"> a. Fire Safe Council presentation by Dale Nova (15 minutes) b. Presentation of Proclamations for Eagle Scout Recipients – Mayor Stearns
	4.	City Council Interviews of Board/Commission /Commissioner Candidates: None
	5.	<p>Public Comment:</p> <p>Welcome to our City Council meeting. The Council invites the public to address the Council on matters on the Consent Agenda and matters not listed on the agenda that are within the Council's subject matter jurisdiction. If the Public wishes to comment on matters that are on the agenda, the Council will request comment when the matter is heard. The Council reserves the right to limit public comment on matters that are outside its subject matter jurisdiction.</p> <p>The City Council may regulate the total amount of time on particular issues and for speakers (typically 3 minutes). The Council may place additional time limits on comments, to ensure members of the public have an opportunity to speak and the Council is able to complete its business. A group may be asked to choose a spokesperson to address the Council on a subject matter, or the Council may limit the number of persons addressing the Council whenever a group of persons wishes to address the council on the same subject matter. Speakers may not cede their time to another.</p> <p>The Mayor manages the City Council meeting with a commitment to effective engagement while maintaining a positive, respectful decorum. The Mayor will typically start the Public Comment period sharing the following reminders relating decorum and Brown Act compliance efforts:</p> <ul style="list-style-type: none"> ✓ This is the time for the public to address the Council on matters on the Consent Agenda or matters NOT on the Council Agenda. This will be a comment period only. If the public wishes a response they may provide their contact information to the Deputy City Clerk. ✓ The Mayor will recognize each speaker in an orderly fashion. Most often, the Mayor will call the speakers whom have signed in first and shall then call for those who would like to address the Council but whom did not sign in by inviting them to come to the front of the room and wait to be recognized to speak. Once the speaker is recognized, the speaker will address the Council only and shall provide comment from the public microphone. Public Comment will typically not be taken from any person shouting from the audience. ✓ No heckling or shouting from the audience at a speaker shall be permitted. ✓ The City Council may ask “clarifying” questions only. Due to equity and Brown Act concerns, the Council will avoid engaging in dialogue or debate. ✓ If there is an item of great community significance/interest and is within the Council's subject matter jurisdiction, the Council may request the item be agendaized for further consideration at a subsequent Council meeting.
	6.	Meeting Recess (As Necessary)

CITY COUNCIL BUSINESS	
P 5-15 P 17-22 P 23-29 P 31-42 P 43-46	<p>7. Consent Agenda - The City Manager recommends approval of the following Consent Agenda items. All Resolutions and Ordinances on this agenda, or added hereto, shall be introduced or adopted, as applicable, by title only, and the full reading thereof is hereby waived.</p> <p>a. Approval of Minutes: October 27, 2014 Regular City Council Meeting</p> <p>b. Approval of Minutes: November 10, 2014 Regular City Council Meeting</p> <p>c. Approval of Disbursements: Accounts Payable: 11/04/2014 and 11/13/2014 Total Gross Payroll and Taxes: For Period Ending 11/12/2014 (Finance Director)</p> <p>d. Monthly Finance/Investment Report – October 31, 2014 (Finance Director)</p> <p>e. Fiscal Year 2014/2015 First Quarter Budget Report (Finance Director)</p>
P 47-51	<p>8. Consider Resolution No. CCR-14-63 RE: Approving Canvass of Election Results (Deputy City Clerk)</p> <p>Council will be provided with Exhibit "A" to the proposed resolution on Monday, November 24th, which recites the facts of the General Election held on Tuesday, November 4th, 2014. Staff recommends City Council accept the Certified Canvass and Statement of Results of the Election received from the County Registrar of Voters.</p>
P 53	<p>9. Swearing In of City Council Members Tom Moore and Timothy Stearns (Deputy City Clerk)</p> <p>Deputy City Clerk will administer the Oath of Office to Tom Moore and Timothy Stearns who received the plurality of votes at the November 4, 2014 General Election for their appointment to the Mt. Shasta City Council.</p>
P55	<p>10. Council Selection of Mayor and Mayor Pro Tem</p> <p>Council to nominate and select a Mayor and Mayor Pro Tem for the term ending November 2015.</p>
P 57-58	<p>11. Resolution CCR-14-64 RE: Authorizing the purchase of a 10 yard dump truck from United Rentals in an amount not to exceed \$75,000 (Public Works Director).</p> <p><u>Background:</u> The City, as part of the Fleet and Equipment Replacement Program, has been planning for the purchase of a 10 yard dump truck for several years. Staff is recommending purchase of a used dump truck.</p> <p><u>Report By:</u> Rod Bryan, Public Works Director</p> <p><u>Council Action:</u> Adoption of Resolution CCR-14-64</p>
P 59-61	<p>12. Public Hearing: Approving Fiscal Year 2014-2015 Citizens Option for Public Safety (COPS) Program Appropriation</p> <p><u>Background:</u> Staff respectfully recommends continuance of our program to supply patrol personnel with equipment needed to complete frontline patrol activities and in</p>

	<p>addition, as in the past, funding to be used to support the supplemental positions that were created in the 04/05 fiscal year.</p> <p><u>Report By:</u> Parish Cross, Chief of Police</p> <p><u>Council Action:</u> Adoption of Resolution CCR-14-65</p>
	CITY COUNCIL/STAFF REPORTING PERIOD
	13. Council Reports on Attendance at Appointed/Outside Meetings
	14. Council and Staff Comments
	<p>15. Future Agenda Items (Appearing on the agenda within 60-90 days):</p> <ul style="list-style-type: none"> a. Review of Ordinance #275 with the intent to add language allowing the inclusion of downtown property owners to be eligible to sit on the DEAC – 12/2014 (Waiting for legal review) b. Recycling Enhancements – 12/2014 (Waiting for Rotary Interact Club to install new containers) c. Discuss the overall development of "The Landing Commerce Park) including the possible RV Park Development and an array of other land use options – 1/2015 d. LED Light System Update – 2/2015 e. Discussion of the City's Connection Fees – 1/2015 f. Overview of election process for Councilmembers – 2/2015 g. With the assistance of PMC, initiate the annexation process for the Orchard Property – 1/2015
	<p>16. Adjourn</p> <p>Availability of Public Records: All public records related to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at City Hall located at 305 North Mt. Shasta Blvd., Mt. Shasta, CA at the same time the public records are distributed or made available to the members of the legislative body. Agenda related writings or documents provided to a majority of the legislative body after distribution of the Agenda packet will be available for public review within a separate binder at City Hall at the same time as they are made available to the members of the legislative body.</p> <p>The City of Mt. Shasta does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or provision of services. In compliance with the Americans with Disabilities Act, persons requiring accommodations for a disability at a public meeting should notify the City Clerk or Deputy City Clerk at least 48 hours prior to the meeting at (530) 926-7510 in order to allow the City sufficient time to make reasonable arrangements to accommodate participation in this meeting</p>

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Mt. Shasta City Council Regular City Council DRAFT Meeting Minutes

Mt. Shasta Community Center, 629 Alder Street

Monday, October 27, 2014; 5:30 p.m.

"Our mission is to maintain the character of our "small town" community while striking an appropriate balance between economic development and preservation of our quality of life. We help create a dynamic and vital City by providing quality, cost-effective municipal services and by forming partnerships with residents and organizations in the constant pursuit of excellence."

Page	Item	STANDING AGENDA ITEMS
	1.	<p>Call to Order and Flag Salute</p> <p>At the hour of 5:38 p.m., Mayor Stearns called the meeting to order and led the audience in the Pledge of Allegiance.</p>
	2.	<p>Roll call</p> <p>Councilmembers Present: Burns, Collings, Moore, Mayor Pro-Tem Harkness, Mayor Stearns Councilmembers Absent: None</p>
	3.	<p>Special Presentations & Announcements:</p> <p>a. High Tech Sector Brainstorming Update – Paul Eckert, City Manager</p> <p>City Manager Eckert reviewed the minutes from the brainstorming session with the High Tech Group. He provided background as to conducting the meeting and the participants. Eckert summarized the various discussions of the group which included questions like why are you here in Mt Shasta? What do you think would attract others to Mt Shasta? What are the challenges of living/working in Mt Shasta? There was further discussion regarding what attributes people desire and what the focus should be, the concept of building a tech center, needed infrastructure, the use of social media and the educational opportunities. Eckert indicated the next step the group decided on would be dedicated to developing an overall strategy.</p> <p>Mayor Pro-Tem Harkness stated he looks forward to continuing this effort and expanding the collaboration to include the Young Professional Group and the schools. Mayor Stearns indicated there were some great ideas that came out of the meeting.</p>
	4.	<p>City Council Interviews of Board/Commission /Commissioner Candidates: None</p>
	5.	<p>Public Comment:</p> <ul style="list-style-type: none">• Roslyn McCoy: Ms. McCoy spoke to the letter the City mailed regarding the possible contamination of the City's drinking water. She indicated the letter referenced not meeting the water standard for two months. She further commented regarding her concern that this information was not shared with the emergency room and they had no knowledge of it when she went to the ER with stomach cramping. Ms. McCoy requested further information regarding the testing and would like the information posted on the City webpage in a

timely manner so residents can take the necessary precautions. Mayor Stearns indicated a staff member will provide a response if she requests it.

- **Raven Stevens:** Ms. Stevens spoke to her concerns regarding Crystal Geyser not being included on the map attached to the NOP and no listing about the plant operations, project objectives, and the wording which sounds like Crystal Geyser will not be included in the full EIR.
- **Bruce Hillman:** Mr. Hillman stated the NOP leaves out what they were promised about the possible environmental impact of the operation of the plant that may affect the aquifer, pollution, traffic, noise and aesthetics. He indicated these items need to be put in the NOP in order to make comments for the draft EIR. He reiterated it is essential the NOP be revised to include an adequate and complete project description, whereby comment can be accurately made.

Mayor Stearns asked City Planner Potts to briefly make a response. She indicated the NOP was prepared consistent with CEQA guidelines. Planner Potts further indicated the NOP is to give a brief summary of the primary project, in this case the primary project is the replacement of the interceptor line. Should Crystal Geyser connect, the EIR would include those potential off-site changes to the environment. She reviewed the timeline for the NOP.

- **Dale LaForest:** Mr. LaForest stated the NOP is defective and as a result casts a bad light on the Council whom promised a full EIR. He stated his concern with the City hiring an expensive engineering firm from outside the local area and stated his concerns regarding the expertise of the subcontractors, North State Resources. Mr. LaForest indicated that the City, without providing a clear project description now and not waiting for the scoping meeting to "flush" it out, would be depriving the people and other agencies of the minimum of 30 days to review it and provide written comment. He remains concerned that the Crystal Geyser bottling plant does not appear to be fully included in the project description and gives the appearance that a "full" EIR will not be completed. Mr. LaForest requested that the NOP be re-drafted and the scoping meeting rescheduled so the public can be advised as to what the true nature of the NOP is.
- **Melinda Willey:** Ms. Willey indicated the title on the NOP is not transparent of what the expanded full EIR is supposed to be and comes across as misleading. She indicated her concern that the language is misleading because it does not reflect the full and expanded EIR inclusive of the Crystal Geyser bottling plant and operations. Ms. Willey further voiced her concern over the public's ability to properly comment on the NOP. She inquired as to Planner Pott's comment "should" Crystal Geyser hook-up to the City and requested a written response.

Mayor Stearns responded to the public comment regarding the NOP. He indicated that through the hundreds of public comments and many meetings, the public should be adequately informed of what the Council is doing. He welcomed the public comments on the NOP and encouraged the public to attend the scoping meeting on November 12th, 2014.

City Manager Eckert read a portion of the NOP on page 7, which contains language including the Crystal Geyser bottling facilities and its physical structures.

	<p>6. Meeting Recess (As Necessary)</p> <p>Council break was not taken.</p>
	<p style="text-align: center;">CITY COUNCIL BUSINESS</p>
	<p>7. Consent Agenda - The City Manager recommends approval of the following Consent Agenda items. All Resolutions and Ordinances on this agenda, or added hereto, shall be introduced or adopted, as applicable, by title only, and the full reading thereof is hereby waived.</p> <ul style="list-style-type: none"> a. Approval of Minutes: September 29, 2014 Special City Council Meeting b. Approval of Minutes: October 13, 2014 Regular City Council Meeting c. Acceptance of Brown Act Committee Minutes: <ul style="list-style-type: none"> ATAC Special Meeting Minutes of September 16, 2014 ATAC Regular Meeting Minutes of September 19, 2014 CEDAC Regular Meeting Minutes of January 14, 2014 LTAC Regular Meeting Minutes of April 17, 2014 Beautification Regular Meeting Minutes of July 9, 2014 d. Approval of Disbursements: Accounts Payable: 9/29/14, 10/1/14, 10/8/14, and 10/15/14; Total Gross Payroll and Taxes: For Period Ending 10/1/14 and 10/15/14 (Finance Director) e. Monthly Finance/Investment Report – September 30, 2014 (Finance Director) f. Resolution CCR-14-55 RE: Claiming the City's Apportionment of Local Transportation Funds in the Amount of \$111,018 of Which \$38,602 is Claimed for Streets and Roads Purposes and the Balance of \$72,416 is to be Used for Unmet Public Transit Needs and Authorizing the Mayor to Execute the Claim (Finance Director) <p>Every year the State of California makes available to local jurisdictions a portion of the revenues collected from gasoline and other transportation taxes, pursuant to §99260 and 99400 of the Public Utilities Code.</p> g. Letter to the US Post Master RE: Closure of the Redding Mail Processing Center (City Manager) <p>The closure of the mail processing center in Redding has the potential to impact all local mail delivery. Mt Shasta's mail would be routed through Sacramento to be processed, resulting in 2-4 days delay in delivery.</p> h. Resolution CCR-14-56 RE: Changing the Name of the Alternative Transportation Advisory Committee (ATAC) to the Active Transportation Committee (ATC) - (Public Works Director)

The current name does not reflect current designations used by transportation agencies. Agencies such as CalTrans uses and recognizes "Active Transportation" to designate pedestrian and bicycle programs and policies.

- i. Resolution CCR-14-57 RE: Job Description Title Change: Administrative Assistant to Administrative Assistant/Deputy City Clerk (City Manager)

The current title does not accurately reflect the expanded role from what was originally expected and to be consistent with her high profile duties and responsibilities while conducting Clerk duties

MOTION to approve consent agenda item 7(a); the minutes of the September 29, 2014, Regular City Council Meeting as submitted.

Motion by: Councilmember Moore

Second by: Councilmember Collings

Council Action: Motion carried on a voice vote as follows:

4 – Ayes (Burns/Collings/Moore/Mayor Stearns)

1 – Abstain (Mayor Pro-Tem Harkness)

MOTION to approve consent agenda items 7(b) the minutes of the October 13, 2014, Regular City Council Meeting as submitted; 7(c) Brown Act Committee Minutes; 7(d) Approval of Disbursements and 7(e) Monthly Finance/Investment Report.

Motion by: Mayor Pro-Tem Harkness

Second by: Councilmember Moore

Council Action: Motion carried on a voice vote as follows:

5 – Ayes (Burns/Collings/Moore/ Mayor Pro-Tem Harkness/Mayor Stearns)

MOTION to approve consent agenda item 7(f); Resolution CCR-14-55 RE: Claiming the City's Apportionment of Local Transportation Funds in the Amount of \$111,018 of Which \$38,602 is Claimed for Streets and Roads Purposes and the Balance of \$72,416 is to be Used for Unmet Public Transit Needs and Authorizing the Mayor to Execute the Claim, by title only.

Motion by: Councilmember Moore

Second by: Mayor Pro-Tem Harkness

Council Action: Motion carried on a voice vote as follows:

5 – Ayes (Burns/Collings/Moore/ Mayor Pro-Tem Harkness/Mayor Stearns)

Council discussion was held regarding consent agenda item 7(g). Council directed staff to send the letter individually addressed to each Representative/Congressman as well. City Manager Eckert stated the processing center in Redding is still operating and has not been closed at this time.

MOTION to approve consent agenda item 7(g); Letter to the U.S. Post Master General and Representatives of Congress.

Motion by: Councilmember Moore

Second by: Councilmember Burns

Council Action: Motion carried on a voice vote as follows:

5 – Ayes (Burns/Collings/Moore/ Mayor Pro-Tem Harkness /Mayor Stearns)

	<p>Mayor Stearns provided the public with an explanation as to the content of the proposed letter.</p> <p>MOTION to approve consent agenda item 7(h); Resolution CCR-14-56 RE: Changing the Name of the Alternative Transportation Advisory Committee (ATAC) to the Active Transportation Committee (ATC); and consent agenda item 7(i); Resolution CCR-14-57 RE: Job Description Title Change: Administrative Assistant to Administrative Assistant/Deputy City Clerk, by title only.</p> <p>Motion by: Mayor Pro-Tem Harkness</p> <p>Second by: Councilmember Collings</p> <p>Council Action: Motion carried on a voice vote as follows: 5 – Ayes (Burns/Collings/Moore/ Mayor Pro-Tem Harkness/Mayor Stearns)</p> <p>Council discussion was held regarding consent agenda item 7(h). Council inquired as to the ATAC's previous status of an "advisory" committee. City Manager Eckert reiterated the ATC, formerly ATAC would remain an "advisory" committee.</p>
	<p>8. Resolution CCR-14-58 RE: Accepting the Independent Audit Report for Fiscal Year 2013-2014.</p> <p><u>Background:</u> The City's Independent Auditor, Aiello, Goodrich and Teuscher, has completed the audit of the financial statements for the 2013-2014 fiscal year, and a representative from that firm is here to present the audit report.</p> <p><u>Report By:</u> Muriel Howarth-Terrell, Finance Director</p> <p><u>Council Action:</u> Adoption of Resolution CCR-14-58</p> <p>Finance Director Howarth-Terrell, reviewed her written report with the Council and thanked the auditor for their hard work and efforts. She indicated to the Council the City had received a "clean" audit. Finance Director Howarth-Terrell introduced Tessa Montgomery of Aiello, Goodrich and Teuscher to provide an overview of the audit report and to assist in answering questions. She reiterated the City received an "unqualified" or "clean" audit, meaning there were no findings. Ms. Montgomery indicated as part of the audit process, they look at areas that could be strengthened; those items have been included on the Management Letter, which contained two noted areas for internal control. City Manager Eckert advised the Council the Public Works staff have already undertaken measures to address inventory control at the City Yard. Ms. Montgomery reviewed the financials with Council, including long-term debts. She recommended in the future the City consider including the management discussion and analysis as part of the audit.</p> <p>Council thanked Ms. Montgomery for calling in advance seeking questions and providing additional explanation prior to the meeting. Councilman Collings commented on the audit and the ongoing responsibilities the Council has with the "bigger picture". Mayor Pro-Tem Harkness made an inquiry with respect to the other employment and post-employment benefits and the City's future obligations. Finance Director Howarth-Terrell spoke to the retired employees and the cost of those benefits to the City and employee. She requested time to further research the matter and will bring her findings back to the Council at a future meeting.</p>

	<p>MOTION to approve Resolution CCR-14-58 RE: Accepting the Independent Audit Report for Fiscal Year 2013-2014, by title only. Motion by: Councilmember Moore Second by: Councilmember Burns Council Action: Motion carried on a voice vote as follows: 5 – Ayes (Burns/Collings/Moore/ Mayor Pro-Tem Harkness/Mayor Stearns)</p>
	<p>9. Resolution CCR-14-59 RE: Approving a Budget Adjustment to the Fiscal Year 2014-2015 Operating Budget.</p> <p><u>Background:</u> The Arts Council Executive Director requested the City of Mt. Shasta make a donation to help maintain the local programs currently being provided.</p> <p><u>Report By:</u> Muriel Howarth-Terrell, Finance Director</p> <p><u>Council Action:</u> Adoption of Resolution CCR-14-59</p> <p>Finance Director Howarth-Terrell reviewed her submitted report and recommendation with the Council. City Manager Eckert commented on the recommendation to the Council, including the conclusion to use other funds rather than the use of General Funds and the future development of criteria and policy for Council to consider in advance of a meeting. He cautioned the use of the General Funds.</p> <p>Councilmember Moore commented on the benefits the Siskiyou Arts Council has brought to the City and recognized their hard work and efforts of engaging the community. He indicated he would support a motion to meet the requested amount of \$2,000. Mayor Stearns inquired as to the staff recommendation of \$1,000 when the Siskiyou Arts Council requested \$2,000. City Manager Eckert responded the General Fund has a limited amount of resources and in assessing the continuity and confidence to fund this amount and other possible requests staff made the recommendation before the Council. Mayor Pro-Tem Harkness indicated his support for the Arts Council, however supports the staff recommendation at this time. Discussions were held regarding the funding of other non-profit organizations and a future process for budgetary planning.</p> <p>MOTION to approve Resolution CCR-14-59 RE: Approving a Budget Adjustment to the Fiscal Year 2014-2015 Operating Budget, as amended to \$2,000; whereby allocating an amount of \$1,000 from the General Fund and an amount of \$1,000 from the Community Enhancement Fund, by title only. Motion by: Councilmember Moore Second by: Councilmember Burns Council Action: Motion carried on a voice vote as follows: 3 – Ayes (Burns/Moore /Mayor Stearns) 2 – Nays (Councilmember Collings/Mayor Pro-Tem Harkness)</p> <p>Mayor Stearns allowed public comment after Council motion made, but before Council vote:</p> <ul style="list-style-type: none"> • Raven Stevens: Ms. Stevens commented at the last Art Walk she engaged in conversation with a woman from Ashland who indicated her appreciation of the arts atmosphere in Mt. Shasta which reminded her of Taos, Mexico.

10. Resolution CCR-14-60 RE: Awarding of Bid Proposal for the Purchase of Firefighter Turnouts and Other Related Gear.

Background: The City Fire Department received a grant from the Federal Emergency Management Agency for the purchase of Firefighter turnouts and related gear. The gear specifications went out to bid and the department is requesting the Council make the recommended bid awards.

Report By: Matt Melo, Fire Chief

Council Action: Adoption of Resolution CCR-14-60

Fire Chief Melo reviewed his written report, the submitted bid matrix and his recommendation with the Council.

Mayor called for Public Comments; hearing none, Mayor called for Council discussion.

Councilmember Moore voiced his appreciation of the bid Matrix outlining the decision making process.

MOTION to approve Resolution CCR-14-60 RE: Awarding of Bid Proposal for the Purchase of Firefighter Turnouts and Other Related Gear, by title only.

Motion by: Councilmember Moore

Second by: Councilmember Collings

Council Action: Motion carried on a voice vote as follows:

5 – Ayes (Burns/Collings/Moore/ Mayor Pro-Tem Harkness/Mayor Stearns)

11. Emergency Response Plan Overview

Background: The Chief of Police will provide the Council with an overview of the City's Emergency Response Plan and training components.

Report By: Parish Cross, Police Chief

Council Action: Informational Presentation, No Action Required

Police Chief Cross provided the Council with an overview of the City's Emergency Response Plan. He gave background and history on the establishment and development of the Plan. Police Chief Cross reviewed the various components of the Emergency Management System, including the overlay of Federal and State obligations, City organization and plan, along with City training components. He commented on the requirement of having an adopted Plan for the purposes of the engagement of outside services and for governmental reimbursement. Police Chief described briefly the City's Operations Center/Incident Command and organization of staff and equipment. He reviewed the preparedness plan for individuals with pets. Police Chief briefly described the roles and responsibilities of staff and Council. City Manager further described Council's role in an emergency response.

Council inquired regarding the types of response levels and lessons learned in light of the Boles Fire. Fire Chief Melo responded one issue that came up was there was not enough resources in the immediate area that day, with the largest issue being the wind. He further commented on the level of response that he would order in this

	<p>type of event. Councilmember Moore thanked staff for their work and report. Mayor Stearns asked about phone systems and the ability to communicate when phones and cell phones are not operating. Police Chief responded the use of radios would come into play as well as the use of texting. Further discussion was held regarding the evacuation of the elderly and ill, the covering of posts when staff is out of the office during an event and who is in charge at any given time, including steps going forward for the purposes of planning, training, activating the command system for other events outside of emergency situations and continuity of Government and communication through the use of portable cellular towers.</p> <p>Mayor Stearns opened this agenda item to receive Public Comment.</p> <ul style="list-style-type: none"> • Melinda Willey: Ms. Willey commented on her concerns that as a result of the Boles Fire and the power outage, she lost cell phone service, phone service and could not get a radio connection. As a result, she had no way of knowing what was happening. Ms. Willey inquired about a siren to notice residents of the danger. Chief Cross responded there is the CODERED notification as well as staff/officers going door to door. There is no "siren". Chief Melo responded to Ms. Willey's inquiry as to evacuation routes. City Manager indicated more information will be included on the new webpage. • Raven Stevens: Ms. Stevens inquired if there was a radio station providing information to residents as to the updates on the situation. Police Chief Cross responded this is the role of the Public Information Officer. Ms. Stevens further inquired as to the situation of the pets during evacuation and shelter and offered her assistance in the future. Chief Cross reiterated the Humane Society will be responsible for the initiation of a plan for pets as well as the pet owners responsibility of have a plan to evacuate their pets. <p>Council engaged in a brief discussion regarding pet evacuation preparedness and the development of a community group willing to assist with this effort.</p> <ul style="list-style-type: none"> • Lilly Coltanue: Inquired as to the number of copies of the Plan and where they are located and if there is a section on volcanic eruption. Police Chief Cross responded there were at least 7 copies housed within City Hall and both the Police and Fire Departments and indicted the Plan does have a section regarding volcanic eruption. Mayor commented that some of the Plan could be placed on the City's webpage. • Roslyn McCoy: Ms. McCoy suggested the water contamination could be placed into the Plan which may allow for a more timely response for emergency personnel and alerting those individuals who are medically fragile. <p>Mayor Stearns closed Public Comment on this agenda item.</p>
	<p>12. Discussion Relating to the Potential Creation of a New Water Conservation Group.</p> <p><u>Background:</u> Council will discuss the potential for a resident water conservation group.</p> <p><u>Report By:</u> Paul Eckert, City Manager</p> <p><u>Council Action:</u> For Discussion</p>

	<p>City Manager Eckert indicated the suggestions of a resident water conservation group was brought to the Council and that City staff have researched the concept and provided three options for the Council to consider. The three options include the formation of a group of residents and business owners with the participation of a staff and Council representative, without the formality of appointment by City Council. The second option would be the formation of a formal committee appointed by the Council and three would be evaluating existing groups who work within that role already. City Manager Eckert reiterated this not an action item but rather a discussion item to provide further direction to staff. A brief discussion was held regarding the formation of an ADHOC committee rather than a standing committee.</p> <p>Mayor Stearns opened this agenda item for Public Comment.</p> <ul style="list-style-type: none"> • John Dell Arica Sr.: Indicated he provides radio programming each Thursday evening on the Siskiyou County amateur radio. He suggested we run an exercise to test the communications with respect to emergency disaster situation and offers his services with the radio group. <p>Mayor Stearns closed this agenda item for Public Comment and brought it back to Council for further discussion.</p> <p>Councilmember Moore suggested taking a closer look into option three and for those interested to contact the City. Council discussed option three and inquired with staff as to their perspective. Mayor Pro-Tem commented there are several groups already formed and addressing the issue of water conservation and further indicated the City is already taking measures towards this end. He encouraged Mr. Blackwell to move forward with his efforts as a citizen group with an affiliation to an IRWM representative.</p> <p>CONSENSUS of the Council to direct staff to go with option three.</p>
	<p align="center">CITY COUNCIL/STAFF REPORTING PERIOD</p>
	<p>13. Council Reports on Attendance at Appointed/Outside Meetings</p> <p>Councilmember Moore reported on his attendance to the CEDAC meeting and the business walk-back which occurred last week.</p> <p>Mayor Pro-Tem Harkness reported on his attendance to the CEDAC meeting, including the business walk-back, his participation at the Library Tax Advisory Committee and the Water Talks Presentation. He reported on participating at the Shasta Angel Investor Group and met with the Sue Densmore regarding the Rural Development Initiatives.</p>
	<p>14. Council and Staff Comments</p> <p>City Manager Eckert shared the consultants timeline as it relates to the CEQA process along with a summary of the next steps. Copies were provided for the public and will be added with the packet for future reference.</p> <p>Police Chief Cross reported on a program the Department is developing called "Guns for Guitars". The programs will serve as community resource to the public and will kick off sometime in December.</p>

	<p>Mayor Pro-Tem Harkness commented Crystal Geyser recently granted easement access of their property for the Mid-Town trail to Spring Hill Trailhead and the Spring Hill Trailhead to the Gateway Trailhead and will also help to connect the City north of Spring Hill to the rest of the City without the use of Spring Hill Drive and Mt Shasta Blvd. While the agreement still needs to be finalized, this would be a huge connection and access for non-motorized vehicles.</p> <ul style="list-style-type: none"> • Melinda Willey: Ms. Willey inquired about the timeline for the CEQA process and stated she had attended a Chamber meeting where Crystal Geyser indicated they would possibly be opening in March 2015, can they open before the EIR is complete, as at a previous meeting Councilmember Collings stated they could not and this was publicized in the newspaper. Mayor Stearns provided recent information by Crystal Geyser that they will start the hiring process in the summer with the idea to open sometime after that. <p>Councilmember Moore stated it would be helpful for the public to review the Brown Act for appropriate procedure and decorum at meetings.</p>
	<p>15. Future Agenda Items (Appearing on the agenda within 60 days):</p> <ul style="list-style-type: none"> a. Review of Ordinance #275 with the intent to add language allowing the inclusion of downtown property owners to be eligible to sit on the DEAC – 11/2014 (Waiting for legal review) b. Recycling Enhancements – 11/2014 (Waiting for Rotary Interact Club to install new containers) c. Fire Department Sleeper Program Update – 12/2014 d. Possible RV Park Development at “The Landing Commerce Park” – 12/2014 e. LED Light System Update – 11/2014 f. Transient Action Response Plan Update – 11/2014 (Moved back due to emergency plan update) g. Discuss potential Connection Fee Moratorium to Housing and Multi-Housing Units – 11/2014 h. Municipal Code Amendment – Short Term Rental Ordinance – 11/2014 i. High School Jobs Training – 11/2014 <p>There was no Council discussion on this agenda item.</p>
	<p>16. Closed Session:</p> <ul style="list-style-type: none"> a. Conference with Legal Counsel – Anticipated Litigation Significant exposure to litigation pursuant to Government Code §54956.9: One Potential Case <p><i>(Report on Closed Session Item to Follow After Council Reconvenes)</i></p>

	<p>At the hour of 8:10 p.m. Mayor Stearns adjourned the Meeting to Closed Session.</p> <p>Mayor Stearns reconvened the meeting to open session at the hour of 8:20 p.m.</p> <p>Mayor Stearns reported that Council had provided direction to staff and had taken no action during the Closed Session.</p>
	<p>17. Adjourn</p> <p>There being no further business before the Council, the meeting was adjourned at the hour of 8:21 p.m. to the next Regular City Council Meeting to be held on Monday, November 10, 2014 at 5:30 p.m.</p>

Respectfully Submitted,

Tammy Lapthorne

Tammy Lapthorne,
Deputy City Clerk

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Mt. Shasta City Council Regular City Council DRAFT Meeting Minutes

Mt. Shasta Community Center, 629 Alder Street
Monday, November 10, 2014, 5:30 p.m.

"Our mission is to maintain the character of our "small town" community while striking an appropriate balance between economic development and preservation of our quality of life. We help create a dynamic and vital City by providing quality, cost-effective municipal services and by forming partnerships with residents and organizations in the constant pursuit of excellence."

Page	Item	STANDING AGENDA ITEMS
	1.	<p>Call to Order and Flag Salute</p> <p>At the hour of 5:33 p.m., Mayor Stearns called the meeting to order and led the audience in the Pledge of Allegiance.</p>
	2.	<p>Roll call</p> <p>Councilmembers Present: Collings, Moore, Mayor Pro-Tem Harkness, Mayor Stearns</p> <p>Councilmembers Absent: Burns</p>
	3.	<p>Special Presentations & Announcements:</p> <p>a. Manufacturing/Business Career Pathway -- Bright Nichols-Stock and Thad Wallace</p> <p>The Manufacturing/Business Career Pathway is a grant-funded, four-year program that gives students hands-on welding and drafting experience at all levels of metals, plastic, and wood manufacturing. Junior/Senior Capstone, a program in which a student acquires the necessary skills and creates a project in their junior and senior year, is available to students in the manufacturing program.</p> <p>The College of the Siskiyous (COS) and Oregon Institute of Technology (OIT) both offer Pathway programs. It is the future goal of the program to become integrated into core and elective classes.</p> <p>The Pathway program provides students with valuable entrepreneurial skills and the ability to stay in Siskiyou County to become part of its economic growth.</p> <p>Ms. Nichols-Stock and Mr. Wallace expressed their appreciation for being given the opportunity to make their presentation, and would be grateful for a letter of support from City Council.</p> <p>Councilmembers expressed support of the efforts of the Manufacturing/ Business Career Pathway program and its goal of economic development within our community.</p> <p>City Manager Paul Eckert indicated that a letter of support from the City of Mt. Shasta would be forthcoming.</p>

	4. City Council Interviews of Board/Commission /Commissioner Candidates: None
	<p>5. Public Comment:</p> <ul style="list-style-type: none"> • <u>Vicki Gold:</u> Shared concerns regarding the costs of the EIR and confusion among other agencies, and growth-inducing impacts of the Crystal Geyser sewer expansion project. <p>Hearing no further requests for Public Comment, Mayor Stearns closed this agenda item.</p>
	6. Meeting Recess: A meeting recess was not taken.
	CITY COUNCIL BUSINESS
	<p>7. Consent Agenda - The City Manager recommends approval of the following Consent Agenda items. All Resolutions and Ordinances on this agenda, or added hereto, shall be introduced or adopted, as applicable, by title only, and the full reading thereof is hereby waived.</p> <ul style="list-style-type: none"> a. Acceptance of Brown Act Committee Minutes: CEDAC Regular Meeting Minutes of July 8, 2014. b. Approval of Disbursements: Accounts Payable: 10/21/14 and 10/30/14; Total Gross Payroll and Taxes: For Period Ending 10/29/14 (Finance Director). c. Resolution CCR-14-61 RE: Authorizing a Memorandum of Agreement with the City of Weed for reimbursement of costs associated with the Boles Fire Response (Finance Director). d. Resolution CCR-14-62 RE: Support the Upstate Regional Application for Plug-In Electric Vehicle Readiness (Finance Director). <p>MOTION to approve the consent agenda items (a), (b), (c), and (d). Motion made by: Councilmember Moore Second by: Councilmember Collings Council Action: Motion carried on a voice vote as follows: 4 – Ayes (Councilmembers Collings, Moore, Mayor Pro-Tem Harkness, Mayor Stearns) 1 – Absent (Council member Burns)</p>
	<p>8. Public Hearing RE: Brownfields</p> <p><u>Background:</u> Updated information regarding the status of the Brownfield Assessment and Cleanup Project.</p> <p><u>Report by:</u> Muriel Howarth-Terrell, Finance Director</p> <p><u>Council Action:</u> Informational only.</p>

	<p>Tonya Dowse and Robert Coox from the Siskiyou County Economic Development Council reported on the ongoing efforts for the Brownfield Assessment Grant, which entails: toxic cleanup, public awareness, signage, website maintenance (TheLandingMtShasta.com), critical timeframes, multi-purpose grants, and expenses to the City.</p> <p>PUBLIC COMMENT:</p> <ul style="list-style-type: none"> • <u>Michael Williams:</u> Roseburg property is a key piece to the trail system, cycle track, and connector on the north end toward Ream Avenue crossing Union Pacific property. The Alternative Transportation Advisory Committee (ATAC) would like to see this included in the plan for The Landing.
	<p>9. Update of the Transient Action Response Plan</p> <p><u>Background:</u> Police Chief will provide provide Council with an update of this year's Initiatives and New Program.</p> <p><u>Report By:</u> Parish Cross, Chief of Police</p> <p><u>Council Action:</u> Informational only</p> <p>Chief Parish Cross updated Council on the Transient Action Program (TAP).</p> <ul style="list-style-type: none"> • "The Law and You" project attempted to educate business owners and citizens on their personal and private property rights. • Budget will allow hiring more officers to walk foot patrol, a great proactive resource to enforce zero tolerance for camping or loitering. • Department will reinstitute a reserve officer position, which will result in no additional costs to the City. Reserve officers typically do not receive compensation. • Department is working on possible ordinances to discourage loitering. • Department is also forming an Explorer Post, envisioned as a Public Safety Explorer Post, which will include not only police, but fire and medical units. • No significant increase in crime rate was noted as a result of the seasonal transient population. • Parker Plaza is private property and, as such, under the jurisdiction of its owner. The Department will continue to work with Mountain Runners to keep them apprised of the activities in and around the Plaza.
	<p>CITY COUNCIL/STAFF REPORTING PERIOD</p>
	<p>10. Council Reports on Attendance at Appointed/Outside Meetings</p> <p>Councilmember Harkness reported that he attended a recent Young Professionals meeting, and is working with Sue Densmore from the Rural Development Institute to move forward in the development and implementation of the Metro Program.</p> <p>Mayor Stearns reported that he attended, by telephone conference, the final meeting of the initial study to install plug-in charging stations for electric vehicles along approximately 175 miles of the I-5 freeway in Siskiyou, Shasta, and Tehama Counties. In that meeting, the Committee adopted a resolution supporting the next</p>

	<p>funding request for the installation of these charging stations. There are 99 potential sites that will result in nine stations—three sites in each of the three counties. Two potential sites have been identified in Mt. Shasta—Tri-Counties parking lot on Chestnut and the City-owned lot on Lake Street across from the fire station.</p> <p>Mayor Stearns pointed out that The City of Mt. Shasta's General Plan does not provide for siting or usage of these charging stations. Redding's General Plan is the only one in the three counties that has a provision for electric vehicle charging. Perhaps a review of their document would be helpful in updating the City of Mt. Shasta's General Plan.</p>
	<p>11. Council and Staff Comments</p> <p>City Manager Eckert reported that Winter Magic will be held the day after Thanksgiving, November 28, 2014, and will have activities on the 200, 300, and 400 blocks of the boulevard, such as youth activities, food booths, fire pits, and a Reindeer Run For Fun at 10:00 a.m.</p> <p>The City appreciates the donation by Emily Derby and the Hearst Foundation, and transportation by Brian Heile, of this year's Christmas tree now erected in the City Plaza. Letters of appreciation will be forthcoming.</p> <p>The Fire Department had a successful training burn on E. Castle Street. The developer will have the site cleaned up this week. The preliminary plans for the new structures have been reviewed and are anticipated to be a nice addition to the community.</p> <p>The Housing Element has been approved at the state level. Congratulations to Tulyani Potts and the Planning Commission for their hard work and diligence.</p> <p>In addition to their daily duties, Public Works crews are doing an excellent job in preparing for winter—equipment readiness, cleaning storm drains, checking inventories, etc.</p> <p>City Manager Eckert formally announced the City received grant funding of \$4.5 million for two water projects. This grant, unlike most grants that require local fund-matching, was 100-percent funded. We wish to thank, in particular, Mayor Pro-Tem Harkness for his efforts and the Integrated Regional Water Management Plan (IRWMP) Committee who supported our efforts. The funds will be used to replace water lines and new water meters.</p> <p>As a reminder, next Council meeting there is Council selection of Mayor and Mayor Pro-Tem.</p> <p>There will be a workshop on November 12, 2014 on the Notice of Preparation (NOP), Draft Environmental Report, of the Mt. Shasta Sewer Line Improvement Project. The workshop will be presented by North State Resources.</p> <p>Only two councilmembers will be present, Harkness and Collings, as the presence of more than two members of Council would violate The Brown Act. The workshop</p>

	<p>will most likely not be televised.</p> <p>It was agreed that updated information received on the NOP for the November 12, 2014 workshop will be posted on the City of Mt. Shasta's website and emailed to the Mt. Shasta Herald no later than the morning of November 11, 2014.</p> <p>Mayor Stearns reported Friday, November 14, 2014, will be a National Day of Action to join together and tell the Postmaster General and the Post Office Board of Governors to keep the mail processing plant open in Redding. Those wishing to participate may distribute flyers at your local post office, attend the Save Redding Mail Processing Rally or Town Hall Meeting on Friday, and speak with others about the delays that would occur by processing our mail in Sacramento.</p> <p>Calls may also be made to Senator Barbara Boxer, Diane Feinstein, and Doug La Malfa at their local offices, asking for their support to keep the Redding plant open.</p>
	<p>12. Future Agenda Items (Appearing on the agenda within 60 days):</p> <ul style="list-style-type: none"> a. Review of Ordinance #275 with the intent to add language allowing the inclusion of downtown property owners to be eligible to sit on the DEAC – 12/2014 (Waiting for legal review) b. Recycling Enhancements – 11/2014 (Waiting for Rotary Interact Club to install new containers) c. Fire Department Sleeper Program Update – 1/2015 d. Possible RV Park Development at "The Landing Commerce Park" – 12/2014 e. LED Light System Update – 12/2014 f. Discuss potential Connection Fee Moratorium to Housing and Multi-Housing Units – 11/2014 <p>Councilmember Moore suggested that we possibly sell the Eastern portion of The Landing. He would like to have this included on the list of future agenda items for council discussion.</p> <p>Councilmember Moore requested the City Manager provide an overview of the City Council election process to be included in future agenda items.</p>
	<p>13. Closed Session:</p> <ul style="list-style-type: none"> a. Conference Involving SCORE Claim (Gov. Code 54956.95) Claimant: Erickson Agency Representative: Finance Director <p>At the hour of 7:13p.m., Mayor Stearns adjourned the Meeting to Closed Session.</p> <p>Mayor Stearns reconvened the meeting to Open Session at the hour of 7:23 p.m.</p>

	<i>(Report on Closed Session Item to Follow After Council Reconvenes)</i>
	<p>14. Adjourn</p> <p>There being no further business before the City Council, the meeting was adjourned at the hour of 7:24 p.m.</p>

City Council Agenda Item # 7(c)

Meeting Date: November 24, 2014

To: Mayor and City Council

From: Muriel Terrell, Director of Finance

Subject: Approval of Warrants and Payroll

X	Regular Session
	Special Session
	Emergency Session
	Closed Session

Recommendation:

Staff respectfully recommends the Mayor and City Council approve warrants paid including payroll benefits and withholding, and payroll distribution, in the amount of \$520,176.68.

Background & Summary:

Approval of Check Numbers 34972-35048	\$ 436,633.98
Total Payroll Distribution	\$ 60,785.07
Payroll Taxes	<u>\$ 22,757.63</u>
Grand Total Payments	<u>\$ 520,176.68</u>

Financial Impact:

None.

Attachments:

- 1.) Check Registers – 11/04/14, 11/13/14
- 2.) ACH Payroll Distribution – 11/12/14
- 3.) EFTPS Reports –11/12/14

Check Register Report

Date: 11/05/2014

Time: 7:04 am

Page: 1

City of Mt. Shasta

BANK: TRI COUNTIES BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
TRI COUNTIES BANK Checks							
34972	11/04/2014	Printed		10220	ALPINE BUSINESS EQUIPMENT	Oct 14 office supplies	941.83
34973	11/04/2014	Printed		10373	ARAMARK	Oct 14 linen service	258.18
34974	11/04/2014	Printed		11140	BASIC LABORATORY INC.	WWTP lab services	3,347.60
34975	11/04/2014	Printed		11147	BAXTER AUTO PARTS	Oct 14 equipment parts - Fire	52.66
34976	11/04/2014	Printed		11279	STEVE BORGE	Mold air sampling	585.00
34977	11/04/2014	Printed		11280	BORGES & MAHONEY	WWTP DAF supplies	1,208.08
34978	11/04/2014	Printed		12213	CAL-ORE COMMUNICATIONS	Domain spam filter	29.95
34979	11/04/2014	Printed		12640	COLONIAL LIFE & ACCIDENT INSUR	Nov 14 life/accident insurance	780.77
34980	11/04/2014	Printed		12845	L.N. CURTIS & SONS	Wrenches - Fire Assoc paid	106.71
34981	11/04/2014	Printed		13064	DE LAGE LANDEN	Extra copies	69.06
34982	11/04/2014	Printed		13067	DELL MARKETING, L.P.	Microsoft Office license	4,655.88
34983	11/04/2014	Printed		13071	DELTA HEALTH SYSTEMS	Nov 14 dental/vision insurance	1,107.00
34984	11/04/2014	Printed		13199	DIGITAL PATH INC	WWTP internet service	99.95
34985	11/04/2014	Printed		15010	FASTENAL COMPANY	Pliers - Water	145.11
34986	11/04/2014	Printed		15030	FERGUSON ENTERPRISES, INC.	Water system supplies	4,553.40
34987	11/04/2014	Printed		17000	HACH COMPANY	WWTP lab supplies	319.61
34988	11/04/2014	Printed		18000	IDEXX LABORATORIES	WWTP lab supplies	193.30
34989	11/04/2014	Printed		19090	JOHN'S SATELLITE-TV	VAC adapter - Haunted House	53.86
34990	11/04/2014	Printed		21150	LIFE-ASSIST, INC.	Particulate respirators - Fire	107.25
34991	11/04/2014	Printed		22000	M & T LUMBER, INC.	New office base molding & glue	199.85
34992	11/04/2014	Printed		22200	MT. SHASTA CHAMBER OF COMMERCE	Jul - Sep 14 VCB allocation	16,250.00
34993	11/04/2014	Printed		22240	MT. SHASTA ELECTRIC INC	Secure light fixture- Caroline	419.50
34994	11/04/2014	Printed		22343	MT. SHASTA TIRE FACTORY INC	Flat repair - PW #25 Sweeper	33.12
34995	11/04/2014	Printed		22352	MUNICIPAL EMERGENCY SERVICES	Fire shirts - Assoc paid	616.53
34996	11/04/2014	Printed		23052	NORTHLAND CABLE TELEVISION INC	Nov 14 internet serv - Library	170.28
34997	11/04/2014	Printed		24033	OREILLY AUTOMOTIVE INC	Oct 14 equipment parts	46.77
34998	11/04/2014	Printed		25080	PACIFIC POWER & LIGHT	Street light electricity agmnt	558.61
34999	11/04/2014	Printed		25120	PERSONNEL PREFERENCE INC	Temp PW help - Burns	2,089.80
35000	11/04/2014	Printed		25116	JAY POLK	Reimburse - food at training	27.43
35001	11/04/2014	Printed		25160	POSTMASTER	Replenish bulk mail account	1,100.00
35002	11/04/2014	Printed		25119	KELLIE A POWER	Oct 14 cleaning service -CH/PD	450.00
35003	11/04/2014	Printed		27000	RAMSHAW'S ACE HARDWARE INC	Oct 14 misc supplies	489.38
35004	11/04/2014	Printed		27020	RAMSHAW'S ACE HARDWARE INC	Oct 14 misc charges - Fire	39.85
35005	11/04/2014	Printed		28120	SHASTA AUTO SUPPLY	Oct 14 equipment parts	1,623.46
35006	11/04/2014	Printed		28140	SHASTA AUTO SUPPLY	Oct 14 equipment parts - Fire	72.58
35007	11/04/2014	Printed		28173	SHASTA CLEANING & MAINTENANCE	Library cleaning serv 10/28/14	240.00
35008	11/04/2014	Printed		28268	DANIELLE SIGNOR	Oct 14 website maintenance	154.00
35009	11/04/2014	Printed		28283	SIMPLY FLEX	Oct 14 flex spend admin fee	95.00
35010	11/04/2014	Printed		28340	SISKIYOU COUNTY AUDITOR	Jul-Sep 14 FD dispatched calls	620.00
35011	11/04/2014	Printed		28380	SISKIYOU COUNTY PUBLIC HEALTH	J Chandler 2nd Twin Rx Hep	74.00
35012	11/04/2014	Printed		28475	SISKIYOU FIRE EQUIPMENT	Fire extinguisher serv - Fire	37.00
35013	11/04/2014	Printed		22220	SISKIYOU MASONIC TEMPLE BOARD	Oct 14 building rental	675.00
35014	11/04/2014	Printed		28560	SISKIYOU OPPORTUNITY CENTER	Oct 14 recycling pickups	825.00
35015	11/04/2014	Printed		28573	SISKIYOU TECHNOLOGY CONS INC	2 new PCs & monitors	5,749.18
35016	11/04/2014	Printed		11380	SJ DENHAM-MT. SHASTA	Parts - PD #8	297.39
35017	11/04/2014	Printed		28594	SMITH BUILDING SERVICES LLC	Building Inspector Services	3,014.23
35018	11/04/2014	Printed		32060	SOLANOS INC	Oct 14 misc supplies	4,224.52
35019	11/04/2014	Printed		28640	SOUSA READY MIX LLC	Base & sand - Water sys maint	615.96
35020	11/04/2014	Printed		29106	NATHAN THILL	Refund building permit #1516	55.00
35021	11/04/2014	Printed		30004	U.S. BANK EQUIPMENT FINANCE	PD copier financing	154.56
35022	11/04/2014	Printed		31042	VERIZON WIRELESS	Oct 14 cell phone service	1,439.25

Check Register Report

Date: 11/05/2014

Time: 7:04 am

Page: 2

City of Mt. Shasta

BANK: TRI COUNTIES BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
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TRI COUNTIES BANK Checks

35023	11/04/2014	Printed		31040	VWR SCIENTIFIC	WWTP lab supplies	41.95
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Total Checks: 52	Checks Total (excluding void checks):	61,114.40
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Total Payments: 52	Bank Total (excluding void checks):	61,114.40
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Total Payments: 52	Grand Total (excluding void checks):	61,114.40
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Check Register Report

Date: 11/13/2014

Time: 7:08 am

Page: 1

City of Mt. Shasta

BANK: TRI COUNTIES BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
TRI COUNTIES BANK Checks							
35024	11/13/2014	Printed		11173	BENSON ROOFING	City hall roof	6,995.00
35025	11/13/2014	Printed		11333	ALICE BRANDON	Delivery charge - battery	8.00
35026	11/13/2014	Printed		12185	CALIFORNIA P.E.R.S.	11/13/14 Rate Plan 925	5,713.74
35027	11/13/2014	Printed		12185	CALIFORNIA P.E.R.S.	11/13/14 Rate Plan 926	1,424.46
35028	11/13/2014	Printed		12185	CALIFORNIA P.E.R.S.	11/13/14 Rate Plan 927	3,911.80
35029	11/13/2014	Printed		12185	CALIFORNIA P.E.R.S.	11/13/14 Rate Plan 27429	1,271.52
35030	11/13/2014	Printed		12185	CALIFORNIA P.E.R.S.	11/13/14 Rate Plan 25862	371.00
35031	11/13/2014	Printed		28790	CALPERS 457 PLAN	11/13/14 457 SIP Deductions	1,270.00
35032	11/13/2014	Printed		12447	BOB CHANDON	Cable for PW office	55.00
35033	11/13/2014	Printed		12550	CITY OF MT. SHASTA	11/13/14 Flex Spend Deductions	757.05
35034	11/13/2014	Printed		15221	FRIENDS OF THE MT SHASTA	Oct 14 contract allocation	3,589.41
35035	11/13/2014	Printed		17128	BELINDA HIGUERA	Reimb Plan Conf expenses	345.97
35036	11/13/2014	Printed		17180	IDEAL QUARRY INC	Stone entry sign - north entry	10,500.00
35037	11/13/2014	Printed		18063	INTERSTATE BATTERY	Battery - Fire	108.76
35038	11/13/2014	Printed		22283	MT. SHASTA FIRE PROTECTION	SKU Lightening Complex Reimb	5,322.28
35039	11/13/2014	Printed		15240	NATIONWIDE RETIREMENT SOLUTION	11/13/14 457 SIP Deductions	1,365.00
35040	11/13/2014	Printed		24040	OPERATING ENGINEERS	Nov 14 Dental/Vision Insurance	1,516.00
35041	11/13/2014	Printed		25120	PERSONNEL PREFERENCE INC	Temp PW help - Burns	1,044.90
35042	11/13/2014	Printed		28173	SHASTA CLEANING & MAINTENANCE	Library cleaning serv 11/06/14	170.00
35043	11/13/2014	Printed		28372	SISKIYOU COUNTY ECONOMIC	Jul-Sep 14 Brownfields hazmat	58,147.70
35044	11/13/2014	Printed		28013	SMALL CITIES ORGANIZED RISK	Refund - T Laphorne	63.57
35045	11/13/2014	Printed		29140	TIMBERWORKS	Alma St Rehab - payment 6	267,992.73
35046	11/13/2014	Printed		29175	TRIDENT PROFESSIONALS	Executive Communication -Snure	500.00
35047	11/13/2014	Printed		29188	TURNERS CARPETS ETC INC	Vinyl flooring - Library	3,000.69
35048	11/13/2014	Printed		30078	UNITED STATES TREASURY	Wage Garnishment - R Deruyter	75.00
Total Checks: 25						Checks Total (excluding void checks):	375,519.58
Total Payments: 25						Bank Total (excluding void checks):	375,519.58
Total Payments: 25						Grand Total (excluding void checks):	375,519.58

tri counties bank

Approval History

Select the appropriate criteria for the approvals you want to see and click Submit. When approvals display, click a batch ID for more detail.

Type:	Originator:	Approver:
All	All	All
From Initiated Date:	To Initiated Date:	
11/7/2014	11/12/2014	Submit

Type	ID	Name	Initiated Date	Effective Date	Approval Expiration Date	Approval Action Date	Originator	Approver	Transfer From	Transfer To	Action	Amount
ACH PPD Credits (PPD, PPD+)	<u>72254</u>		11/12/2014	11/12/2014	11/12/2014	11/12/2014	Polk, Jodi	Howarth Terrell, Muriel	City of Mt Shasta		Approved	\$60,785.07

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FEDERAL PAYROLL TAX PAYMENT (EFTPS-941)

PAYROLL PERIOD ENDING: 11/09/14

PAYROLL DATE: 11/13/14

ACCOUNT NAME:	ACCT.#	AMOUNT
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F.I.C.A.:		
MEDICARE	11-000-2110	\$2,393.56

SOCIAL SECURITY	11-000-2110	\$10,234.46
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FED. WITHHOLDING	11-000-2120	\$7,456.56
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TOTAL DEPOSIT:		\$20,084.58
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EFTPS CONFIRMATION NO:

EFTPS BANK DEBIT DATE: 11/18/2014

APPROVED:

E.D.D.-STATE PAYROLL TAX PAYMENT-14080			
PAYROLL PERIOD ENDING:			11/9/14
PAYROLL DATE:			11/13/14
ACCOUNT NAME:	ACCT.#		AMOUNT
STATE WITHHOLDING	11-000-2130	800-3824-3 All	\$2,224.40
STATE DISABILITY (S.D.I.)	11-000-2140	776-5197-4	\$448.65
TOTAL DEPOSIT:		\$2,673.05	
E.D.D. CONFIRMATION NO. (STATE)			
E.D.D. CONFIRMATION NO. (S.D.I.)			
E.D.D. BANK DEBIT DATE:			11/18/2014
APPROVED:			

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City Council Agenda Item # 7(d)

Meeting Date: November 24, 2014

To: Mayor and City Council

From: Muriel Terrell, Director of Finance

Subject: Monthly Investment and Financial Report for the
Period Ending October 31, 2014

X	Regular Session
	Special Session
	Emergency Session
	Closed Session

Recommendation:

Staff respectfully requests the City Council receive and review the monthly Investment and Financial Report.

Background & Summary:

As of October 31, 2014 the combined funds the City of Mt. Shasta had invested in the Local Agency Investment Fund (L.A.I.F.) totaled \$2,000,922.63. The October LAIF statement is attached along with the performance data for the month of October. Most surplus City funds over which the City has control are currently invested in LAIF. The balance of the City's cash funds are held in the pooled checking account with Tri Counties Bank and the CDBG Revolving Loan Fund CD's held at Scott Valley Bank and with ProEquities.

Current investment rates are:

L.A.I.F.	October 31, 2014	0.261%
CD's -1 Year	National Avg.	0.240%
Treasury Note – 1 Yr.	October 31, 2014	0.135%
Treasury Note – 2 Yr.	October 31, 2014	0.490%
Treasury Note – 5 Yr.	October 31, 2014	1.61%
Treasury Note – 10 Yr.	October 31, 2014	2.34%
Treasury Note – 30 Yr.	October 31, 2014	3.07%

Bloomberg as reported by Chandler Asset Management

The LAIF average rate increased slightly last month, other rates had results with all ranges decreasing slightly resulting in a slight increase to the yield curves. We continue to anticipate the LAIF rate staying in a narrow range around .24%. The LAIF yield is lower than the 2 Yr. Note. Although Bank CD's are offering better returns, liquidity remains an issue; the 5 Yr. Note is too long term for the City's needs. The LAIF rate remains the best available rate that meets the City's requirements for liquidity and safety. These

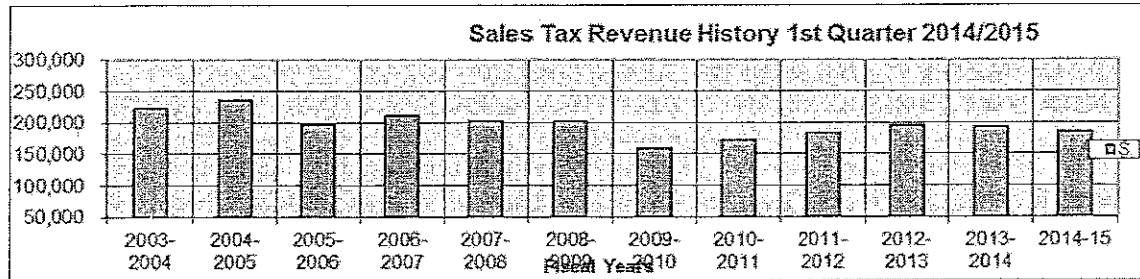
investments are in compliance with the City's investment policy and provide for meeting the City's cash flow needs for the next 1 month and 6 month periods.

Local Rates:

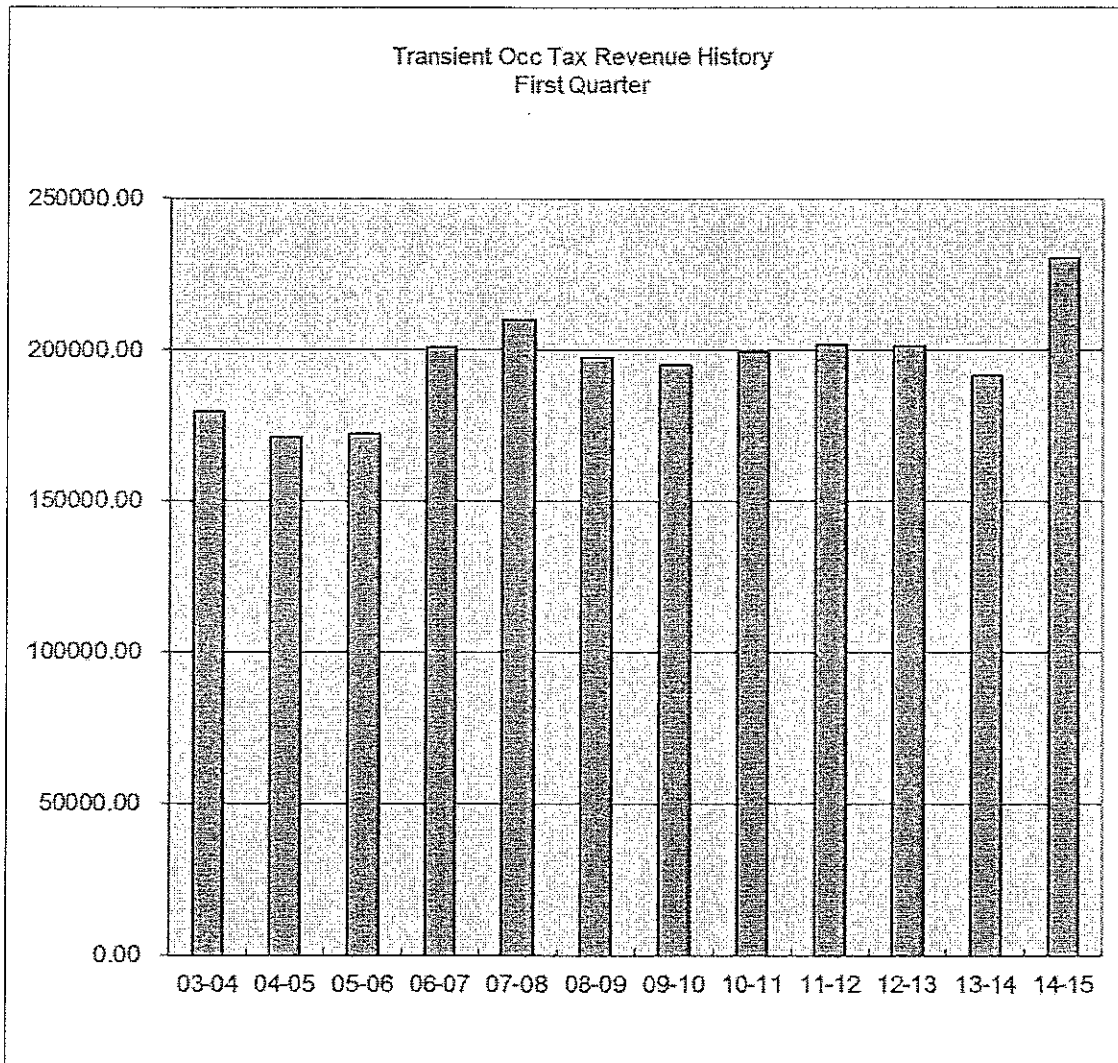
Tri Counties Bank	October 2014	CD 1year	0.20%
Scott Valley Bank	October 2014	CD 1year	0.25%

Revenues:

Property Tax Revenue: The collection of property tax revenue in this fiscal year is not expected to be received until December.



Sales Tax Revenue: The sales tax revenue total through the 1st quarter of 2014/15 was \$191,674 which is \$7,500 less than the total collections through same quarter last year. The chart above illustrates the trend of sales tax revenue for the 1st quarter in the last few years.



Transient Occupancy Tax: The collection of the 1st quarter TOT has been collected as of the end of September 2014. The results were \$38,900 more than the same quarter in the previous year. This amount is more than collected in any 1st quarter in the Cities history.

Financial Impact:

N/A

Attachments:

1. LAIF Monthly Statement
2. LAIF Performance Report
3. LAIF Monthly Balances
4. Chandler Asset Management September 2014 Newsletter

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001
CITY OF MT SHASTA

www.treasurer.ca.gov/pmia-laif/laif.asp
November 13, 2014

DIRECTOR OF FINANCE
305 NORTH MT SHASTA BLVD
MT SHASTA, CA 96067

PMIA Average Monthly Yields

Account Number:
98-47-572

Tran Type Definitions

October 2014 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
10/15/2014	10/14/2014	QRD	1447672	SYSTEM	1,776.70

Account Summary

Total Deposit:	1,776.70	Beginning Balance:	1,999,145.93
Total Withdrawal:	0.00	Ending Balance:	2,000,922.63



**BILL LOCKYER
TREASURER
STATE OF CALIFORNIA**



PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
10/30/14	0.26	0.26	221
10/31/14	0.26	0.26	213
11/01/14	0.26	0.26	213
11/02/14	0.26	0.26	213
11/03/14	0.26	0.26	216
11/04/14	0.26	0.26	214
11/05/14	0.26	0.26	215
11/06/14	0.26	0.26	213
11/07/14	0.26	0.26	221
11/08/14	0.26	0.26	221
11/09/14	0.26	0.26	221
11/10/14	0.26	0.26	222
11/11/14	0.26	0.26	222
11/12/14	0.26	0.26	222

*Daily yield does not reflect capital gains or losses

LAIF Performance Report

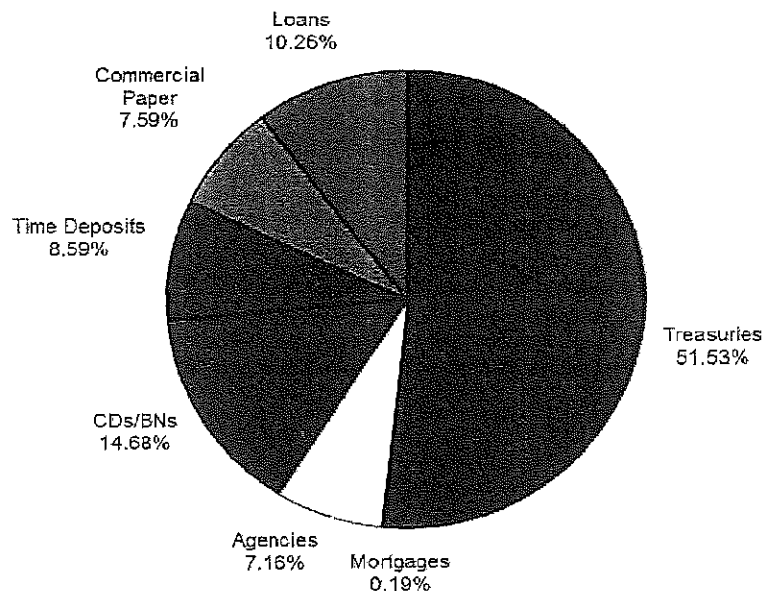
Quarter Ending 09/30/14

Apportionment Rate: 0.24%
 Earnings Ratio: .00000662348923179
 Fair Value Factor: 1.000181284
 Daily: 0.25%
 Quarter To Date: 0.25%
 Average Life: 232

PMIA Average Monthly Effective Yields

OCT 2014 0.261%
 SEP 2014 0.246%
 AUG 2014 0.260%

Pooled Money Investment Account
Portfolio Composition
\$57.5 Billion
10/31/14



**State of California
Pooled Money Investment Account
Market Valuation
9/30/2014**

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch. Amortized Cost		
United States Treasury:				
Bills	\$ 11,137,909,675.57	\$ 11,144,028,974.24	\$ 11,147,231,000.00	NA
Notes	\$ 20,613,431,491.60	\$ 20,611,735,881.66	\$ 20,620,552,000.00	\$ 20,714,247.00
Federal Agency:				
SBA	\$ 571,481,035.26	\$ 571,481,035.26	\$ 567,433,519.70	\$ 521,914.04
MBS-REMICs	\$ 109,474,286.60	\$ 109,474,286.60	\$ 116,983,332.51	\$ 521,209.85
Debentures	\$ 1,959,407,587.90	\$ 1,959,148,157.35	\$ 1,958,751,700.00	\$ 1,655,043.25
Debentures FR	\$ -	\$ -	\$ -	\$ -
Discount Notes	\$ 1,299,421,361.10	\$ 1,299,712,319.44	\$ 1,299,922,000.00	NA
GNMA	\$ -	\$ -	\$ -	\$ -
Supranational Debentures	\$ 399,927,859.19	\$ 399,927,859.19	\$ 399,644,500.00	\$ 192,809.50
CDs and YCDs FR	\$ -	\$ -	\$ -	\$ -
Bank Notes	\$ 400,000,000.00	\$ 400,000,000.00	\$ 399,896,651.17	\$ 139,833.33
CDs and YCDs	\$ 9,475,026,364.38	\$ 9,475,015,822.71	\$ 9,471,060,198.00	\$ 3,941,784.74
Commercial Paper	\$ 4,354,195,497.74	\$ 4,354,921,548.28	\$ 4,354,205,466.67	NA
Corporate:				
Bonds FR	\$ -	\$ -	\$ -	\$ -
Bonds	\$ -	\$ -	\$ -	\$ -
Repurchase Agreements	\$ -	\$ -	\$ -	\$ -
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 5,082,740,000.00	\$ 5,082,740,000.00	\$ 5,082,740,000.00	NA
AB 55 & GF Loans	\$ 1,047,229,467.74	\$ 1,047,229,467.74	\$ 1,047,229,467.74	NA
TOTAL	\$ 56,450,244,627.08	\$ 56,455,415,352.47	\$ 56,465,649,835.79	\$ 27,686,841.71

Fair Value Including Accrued Interest

\$ 56,493,336,677.50

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (1.000181284).
As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$20,003,625.69 or \$20,000,000.00 x 1.000181284.

BOND MARKET REVIEW

A MONTHLY REVIEW OF
FIXED INCOME MARKETS



WHAT'S INSIDE

Market Summary 1

Yield Curve
Current Yields

Economic Round-Up 2

Credit Spreads
Economic Indicators

Credit and MBS Option 3

Adjusted Spreads in
Tightening Cycles

Since 1988, Chandler Asset Management has specialized in the management of fixed income portfolios. Chandler's mission is to provide fully customizable, client-centered portfolio management that preserves principal, manages risk and generates income in our clients' portfolios.

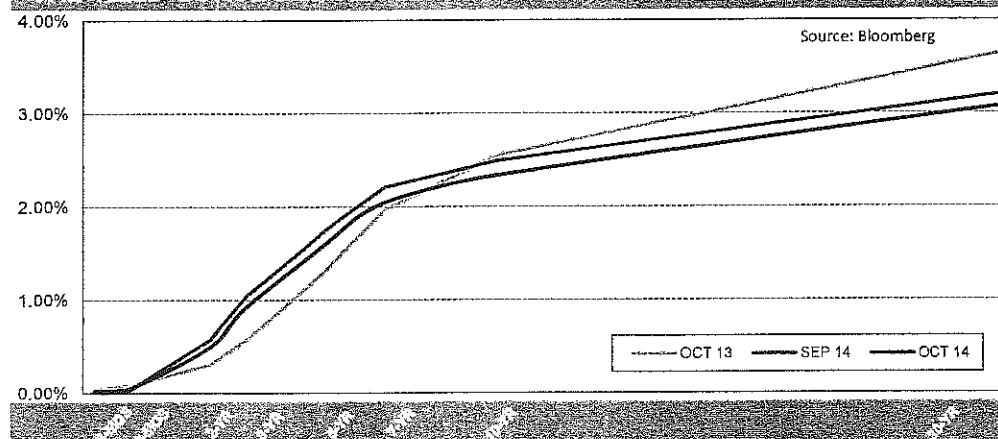
Market Summary

Domestic economic data continued to be mostly favorable in October, but the employment report was somewhat mixed. Nonfarm payrolls rose by 214,000 in October, below the consensus forecast of 240,000. However, the unemployment rate declined to 5.8% from 5.9%. The labor participation rate and wage growth both ticked up slightly. Overall, the employment report was a bit softer than expected, but the labor market continues to improve. Meanwhile, the manufacturing sector continues to show strength. Consumer spending also remains healthy, and we believe ongoing job growth and a recent decline in gas prices should bode well for the holiday shopping season. The housing sector remains volatile and continues to lag behind other sectors of the economy.

In October, the Federal Open Market Committee (FOMC) left policy rates unchanged and announced the end of quantitative easing. The FOMC retained the "considerable time" language in its policy statement relating to the timing of an increase in policy rates and (even with the completion of quantitative easing) monetary policy remains highly accommodative. However, the tone of the Fed's October policy statement was incrementally more hawkish than its previous statement in September. The Fed noted that the economy is expanding at a moderate pace, labor market conditions have improved, and the likelihood of inflation running persistently below target has diminished. The Committee continues to emphasize its policy actions will be data dependent, leaving the timing of future rate hikes uncertain. The next FOMC meeting is scheduled for December 16-17.

The yield on the two-year Treasury note declined in October, reversing its increase in September. Domestic economic data remained fairly strong in October, but concerns about a slowdown in global economic growth (particularly in Europe) were elevated in the month. Geopolitical tensions and fears of an Ebola outbreak also caused volatility in the financial markets during the month.

THE YIELD CURVE SHIFTED LOWER IN OCTOBER



During the past month, the yield curve shifted lower. Mixed global economic data and geopolitical tensions caused increased volatility in the financial markets. These concerns also kept downward pressure on longer yields, even as the Fed completed its program of quantitative easing.

TREASURY YIELDS	10/31/2014	9/30/2014	CHANGE
3 Month	0.01	0.02	(0.01)
2 Year	0.49	0.57	(0.08)
3 Year	0.92	1.04	(0.12)
5 Year	1.61	1.76	(0.15)
7 Year	2.04	2.20	(0.16)
10 Year	2.34	2.49	(0.15)
30 Year	3.07	3.20	(0.13)

Source: Bloomberg

Economic Roundup

Consumer Prices

In September, overall CPI inflation was unchanged at 1.7% on a year-over-year basis. The year-over-year Core CPI (CPI less food and energy) was also unchanged at 1.7% in September.

Retail Sales

In September, Retail Sales rose 4.3% on a year-over-year basis versus a gain of 5.0% in August. On a month-over-month basis, Retail Sales declined 0.3% in September, which was weaker versus the expectation of a 0.1% decline. Auto and gasoline sales were a drag on the September figure. Overall, consumer spending appears healthy but not robust.

Labor Market

The October employment report was mixed. Nonfarm payrolls rose by 214,000 in the month, below the consensus forecast of 240,000. However, the unemployment rate declined to 5.8% from 5.9%. The net revisions in nonfarm payrolls for September and August were +31,000 (with gains of 256,000 and 203,000 in September and August, respectively). Private payrolls rose by 209,000 in October while government jobs rose by 5,000. The labor participation rate remains low but ticked back up to 62.8% from 62.7%. Meanwhile, wage growth also edged up 0.1% in October after being flat in September. Overall, the employment report was a little softer than expected but the labor market continues to improve.

Housing Starts

Housing data remains volatile. Single-family housing starts rose 1.1% in September after declining 2.0% in August. Multifamily starts rose 16.7% in September after falling 28.7% in August.

Credit Spreads Widened

CREDIT SPREADS	Spread to Treasuries (%)	One Month Ago (%)	Change
3-month top-rated commercial paper	0.14	0.14	0.00
2-year A corporate note	0.54	0.50	0.04
5-year A corporate note	0.59	0.54	0.05
5-year Agency note	0.09	0.05	0.04

Source: Bloomberg

Data as of 10/31/2014

Economic Data Remains Indicative of Modest Growth

ECONOMIC INDICATOR	Current Release	Prior Release	One Year Ago
Trade Balance	(43.0) \$Bln SEP 14	(40.0) \$Bln AUG 14	(42.3) \$Bln SEP 13
GDP	3.5% SEP 14	(4.6)% JUN 14	4.5% SEP 13
Unemployment Rate	5.8% OCT 14	5.9% SEP 14	7.2% OCT 13
Prime Rate	3.25% OCT 14	3.25% SEP 14	3.25% OCT 13
CRB Index	271.96 OCT 14	278.55 SEP 14	277.86 OCT 13
Oil (West Texas Int.)	\$80.54 OCT 14	\$91.16 SEP 14	\$96.38 OCT 13
Consumer Price Index (y/o/y)	1.7% SEP 14	1.7% AUG 14	1.2% SEP 13
Producer Price Index (y/o/y)	2.2% SEP 14	2.3% AUG 14	0.3% SEP 13
Dollar/EURO	1.25 OCT 14	1.26 SEP 14	1.36 OCT 13

Source: Bloomberg

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Credit and MBS Option Adjusted Spreads in Tightening Cycles

Market volatility is poised to increase as the low interest rate environment of the past several years comes to a conclusion. One of the largest concerns for both institutional and retail investors looking forward into fiscal 2015 and beyond is the timing, speed, and overall change in the Fed Funds rate. Multiple factors, both domestic and international, are clouding investors' ability to predict both the start date of the tightening cycle, as well as the overall magnitude of the change in the Fed Funds rate once the process commences.

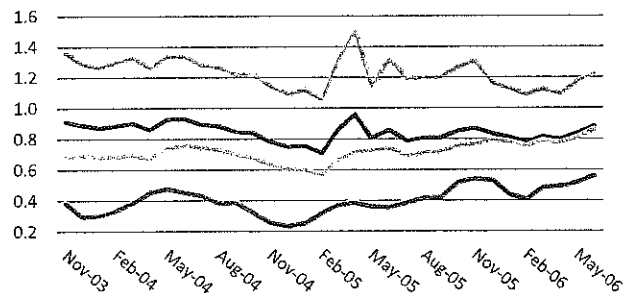
One of the largest domestic concerns is the inability of the highly stimulative monetary policy currently in place to drive inflation up to the Federal Reserve's (Fed) 2.0% target. Based on the most recent quarterly forecast from the Fed released on September 17, the longer run forecast for PCE inflation (Personal Consumption Expenditures Index – the Fed's preferred inflation benchmark) is 2.0%; however the most recent annualized reading is only 1.4%. The global inflation outlook remains precarious as commodity prices have been moving lower and wage inflation is muted, compromising the Fed's objective of stable to higher prices. Additionally, monetary policy is becoming more desynchronized with the Fed looking to tighten policy while the Bank of Japan (BoJ) and the European Central Bank (ECB) continue to loosen policy. Investors need to consider the unintended consequences of a stronger dollar and its implications on the global competitiveness of US based corporations.

Based on the current trajectory of the domestic economy, the team at Chandler forecasts the Fed will begin to tighten monetary policy in the second half of 2015. In an effort to better understand the potential consequences to high quality fixed income portfolios during periods of monetary policy tightening, the team analyzed Option Adjusted Spreads (OAS) on the credit and MBS (Mortgage Backed Security) indices during the past three tightening cycles. We focused our analysis on the time period six months prior to the start of the tightening cycle through the end of the cycle, utilizing monthly data points on various index sub sectors.

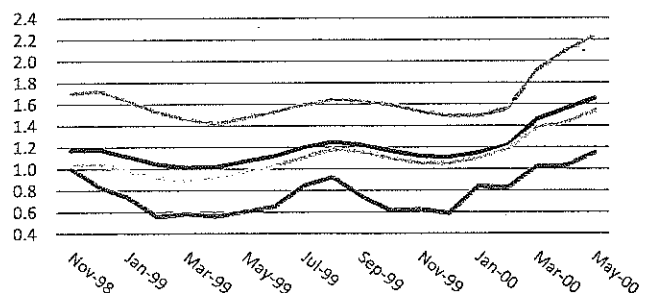
The tightening cycle ending in June 2006 was notable for its length of just over two years and the peak to trough change in rates of 4.25% (see *Chandler Newsletter Article from March 2013: Monetary Policy: Treasury Yield Curves in a Tightening Cycle*). The overall change in the aggregate US Credit index went from 93 bps (basis point, .01 of 1%) to 88 bps, a tightening of five bps during the period. The US credit 'A' cohort moved wider by 12 bps versus the US credit 'BBB' cohort tightening by 12 bps. The MBS portion widened by eight bps but was also more volatile than the other sectors with the OAS dropping down to 36 bps at the mid-point of the tightening cycle (see table on next page). The tightening

cycle ending in May of 2000 was relatively short with a trough to peak rate change of 1.75%. All sectors represented in the table experienced spread widening. Given the bursting of the technology stock bubble during this time frame, we believe, exogenous factors other than the monetary policy cycle contributed to the movement of OAS for the sectors. The tightening cycle ending in February 1995 was also relatively short with a trough to peak change in the Fed Funds rate of 3.0%. All credit sectors had stable performance with spread widening between four to seven bps. The MBS OAS experienced dramatic tightening during this time period, moving from 99 bps at the start of the tightening cycle to 44 bps at the conclusion of the

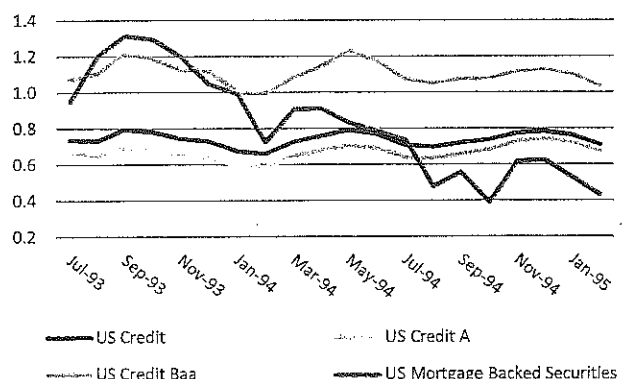
Option Adjusted Spreads / November 2003 - June 2006



Option Adjusted Spreads / November 1998 - May 2000



Option Adjusted Spreads / July 1993 - February 1995



Credit and MBS Option Adjusted Spreads in Tightening Cycles (CONTINUED)

tightening cycle. Given the relative infancy of the MBS market in the early 1990s it appears the sector was trading at very attractive spreads versus the credit sector which contributed to the outperformance during this time period.

Based on the data presented credit sector spreads do not exhibit a widening bias prior to the start of the tightening cycles. In two of the three periods represented the broad credit sector experienced spread tightening in the six months leading up to the initial change in monetary policy, and in the one period where spreads widened in the period preceding the initial tightening, the movement was only two bps wider. Historically, market participants have gravitated towards MBS during periods of stable interest rates and low interest rate volatility to account for the optionality and negative convexity of the asset class. It is difficult to ascertain definitive conclusions about the period preceding the initial tightening of monetary policy specific to MBS as the movements in each of the time periods are wider by 10 bps, tighter by 44 bps, and wider by four bps (ex. Tightening Cycle Ending June 2006, .49-.39= .10 or 10 bps). In the tightening cycles which ended in May of 2000 and February 1995 the pre-tightening MBS OAS of 101 bps and 95 bps, respectively, was attractive on a risk adjusted basis versus the Credit OAS valuation of 117 bps and 73 bps, respectively. The starting point valuation of any asset class matters, regardless of the direction of monetary policy, and in the latter two tightening cycles the MBS OAS was attractively valued.

The mid-date OAS change of the three tightening cycles represented in the graphs and tables is benign. In the two periods where spreads are wider the magnitude is small enough to allow the additional spread, compared to a like maturity Treasury note, to enhance the overall total return of the portfolio. The bias is for spreads to widen late in the tightening cycle. This makes intuitive sense as the Fed is trying to slowdown the economy by raising interest rates and a recessionary economic backdrop becomes more likely.

Monetary/Policy Tightening Cycles	US Credit	US Credit A	US Credit Baa	US MBS
Tightening Cycle Ending June 2006				
Six months pre-tightening (November 2003)	0.91	0.69	1.36	0.39
Start date of tightening (May 2004)	0.93	0.74	1.34	0.49
Mid date (June 2005)	0.86	0.74	1.32	0.36
End date (June 2006)	0.88	0.86	1.22	0.57
Change from start of tightening	(0.05)	0.12	(0.12)	0.08
Tightening Cycle Ending May 2000				
Six months pre-tightening (November 1998)	1.17	1.03	1.71	1.01
Start date of tightening (April 1999)	1.02	0.92	1.42	0.57
Mid date (November 1999)	1.12	1.05	1.53	0.63
End date (May 2000)	1.65	1.54	2.23	1.16
Change from start of tightening	0.63	0.62	0.81	0.59
Tightening Cycle Ending February 1995				
Six months pre-tightening (July 1993)	0.73	0.67	1.07	0.95
Start date of tightening (January 1994)	0.67	0.60	1.00	0.99
Mid date (July 1994)	0.71	0.64	1.07	0.74
End date (February 1995)	0.71	0.67	1.04	0.44
Change from start of tightening	0.04	0.07	0.04	(0.56)

The Chandler team thinks the Fed will find it challenging to raise the Fed Funds rate much higher than 2.50% at equilibrium. The global macroeconomic backdrop is too weak for the Fed to be as aggressive as they were in the tightening periods ending in June 2006 and February 1995. The team also discounts using the cycle ending in May 2000 as a template for the upcoming cycle as the noise associated with the bursting of the technology bubble makes it difficult to isolate out the spread widening directly attributable to the change in monetary policy. Based on the three prior tightening cycles the data indicates patience is required in determining the appropriate timing to reduce exposure to the credit and MBS sectors to mitigate the risk of widening OAS. In our judgment, six months after the initial tightening of monetary policy is critical in determining if broad asset allocation shifts within fixed income portfolios are prudent.

- William Dennehy II, CFA
SVP, Portfolio Manager

Table Source: Barclay's Live

RISKS AND OTHER IMPORTANT CONSIDERATIONS

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Fixed income investments are subject to interest, credit, and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

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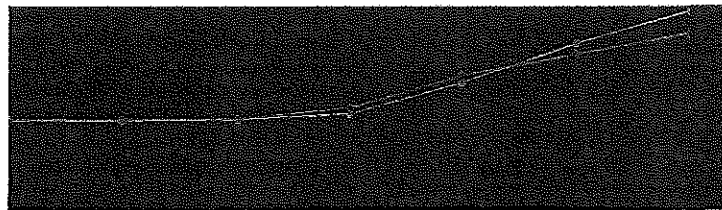
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United States Government Bonds

US TREASURY YIELDS

Bloomberg

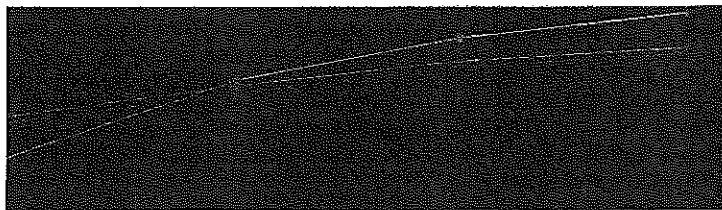


Tenor	Coupon	Price	Last	1 Month	1 Year	Time
3 Month	0.0000	0.0050	0.01%	0	-7	19:49:06
6 Month	0.0000	0.0550	0.06%	+3	-3	19:47:31
12 Month	0.0000	0.1350	0.14%	+7	+5	19:47:16
2 Year	0.3750	99-23	0.52%	+9	+22	19:32:44
5 Year	1.5000	99-12 3/4	1.63%	+10	+27	19:58:11
10 Year	2.2500	99-06	2.34%	+7	-35	19:32:05
30 Year	3.1250	101-02	3.07%	+6	-75	19:32:41

Change shown in basis points

TREASURY INFLATION PROTECTED SECURITIES (TIPS)

Bloomberg



Tenor	Coupon	Price	Last	1 Month	1 Year	Time
5 Year	0.1250	100-23 3/4	-0.04%	+12	+65	19:49:41
10 Year	0.1250	96-30 1/2	0.44%	+14	-6	19:54:10
20 Year	3.3750	141-28 1/4	0.80%	+10	-34	19:33:29
30 Year	1.3750	109-23	1.00%	+10	-51	19:32:45

Change shown in basis points

US BOND BENCHMARK INDEXES

■ Bloomberg US Treasury Bond Index +3.95% ■ Bloomberg US Agency Bond Index +2.96%
■ Bloomberg US Corporate Bond Index +7.13% ■ Bloomberg USD MBS Bond Index +5.79%

Find Company Name or Symbol

Recommended Symbols:

USDRUB (CUR) (/quote/USDRUB:CUR) |

DXV (CUR) (/quote/DXV:CUR) | EURUSD

(CUR) (/quote/EURUSD:CUR) | BDIY

(IND) (/quote/BDIY:IND)

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Down? (/video/lower-oil-prices-what-s-driving-the-price-qNoYHfDiSoZmHf3HFvRA.html)

What's Driving the Price of Oil
Down? (/video/lower-oil-prices-what-s-driving-the-price-qNoYHfDiSoZmHf3HFvRA.html)

Gold Is Not the Fear Asset Its
Made Out to Be: Horwitz (/video/gold-is-not-the-fear-asset-its-made-out-to-be-horwitz-gtRiBK8gRmMQTv4l9nXmg.html)

Gold Slips on Expected Fed QE
End (/video/gold-slips-on-expected-fed-qe-end-7lClKw4TUcD0JlsDaCotg.html)

Share



Name	Value	Change	MTD Return	52-Week Return	Effective Yield
Bloomberg US Treasury Bond Index (/quote/BUSY:IND)	120.27	-0.01	-0.10%	+4.16%	1.54%
Bloomberg US Agency Bond Index (/quote/BAGY:IND)	115.66	-0.01	-0.06%	+3.09%	1.45%
Bloomberg US Corporate Bond Index (/quote/BUSC:IND)	135.39	-0.12	-0.35%	+7.40%	3.09%
Bloomberg USD MBS Bond Index (/quote/BMBS:IND)	121.77	+0.02	+0.05%	+6.11%	2.48%

FEDERAL RESERVE RATES

Rate	Current	1 Year Prior	Rate	Current	1 Year Prior
Fed Funds Rate (/quote/FEDFUND)	0.06	0.10	Fed Reserve Target (/quote/FEDRT)	0.25	0.25
Prime Rate (/quote/PRIME)	3.25	3.25			

US MUNICIPAL BONDS

Name	Yield	1 Day	1 Month	1 Year	Time
Muni Bonds 1 Year Yield (/quote/BVMB1Y:IND)	0.18%	+1	+4	+1	11/13/2014
Muni Bonds 2 Year Yield (/quote/BVMB2Y:IND)	0.42%	-1	+2	+14	11/13/2014
Muni Bonds 5 Year Yield (/quote/BVMB5Y:IND)	1.23%	+1	+6	+18	11/13/2014
Muni Bonds 10 Year Yield (/quote/BVMB10Y:IND)	2.25%	+2	+15	-37	11/13/2014
Muni Bonds 30 Year Yield (/quote/BVMB30Y:IND)	3.08%	+2	+11	-114	11/13/2014

Change shown in basis points

Unless indicated otherwise: intraday data is at least 15 minutes delayed; mutual fund NAVs are updated at the close of every market day; all prices are in the local currency; Time is ET.

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From The Web

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Please Don't Retire At 62. Here's Why.

More future videos
(/video/futures/)

BOND NEWS

Treasuries Rise First Time in 3 Days on Low-Inflation Prospects (/news/2014-11-13/treasuries-are-gains-after-u-s-auctions-16-billion-of-bonds.html)

Updated 2 hours ago

Colt Defense Searches for Financing as Default Looms ([/news/2014-11-13/colt-defense-searches-for-financing-as-default-looms.html](http://news/2014-11-13/colt-defense-searches-for-financing-as-default-looms.html))

Updated 2 hours ago

Scientific Games Bond Yields Increased as Investors Balk (/news/2014-11-13/scientific-games-bond-yields-increased-as-investors-balk.html)

Updated 2 hours ago

Rauner Inherits Illinois Downgraded by Bond Market: Muni Credit (/news/2014-11-13/rauner-inherits-illinois-downgraded-by-bond-market-muni-credit.html)

Treasury 30-Year Bond Sale Rated '2' by Four Primary Dealers (/news/2014-11-13/treasury-30-year-bond-sale-rated-2-by-four-primary-dealers.html)

Treasury Auction Demand Lowest in a Year on Reduced Haven Bid (/news/2014-11-13/treasury-auction-demand-lowest-in-a-year-on-reduced-haven-bid.html)

Updated 2 hours ago

[More Bond News \(/news/bonds/\)](#)

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City Council Agenda Item # 7(e)

Meeting Date: November 24, 2014

To: Mayor and City Council

From: Muriel Terrell, Director of Finance

Subject: 2014-2015 1st Quarter Budget Report

X	Regular Session
	Special Session
	Emergency Session
	Closed Session

Recommendation:

We respectfully request council review and accept the 1st Quarter Budget Report for the 2014-2015 fiscal year.

Background:

Each year the City staff performs a review of each quarter's budget. The 2014-2015 1st quarter indicates that the City's position is holding steady.

Attached are summary pages including fund balances for each fund at September 30, 2014 and the general fund financial summary including columns for year to date actual amounts, the original budget, and the percent of the budget earned or expended to September 30, 2014. The detailed 1st quarter financial statements used to compile the summaries have been distributed under separate cover.

In reviewing the detailed Revenue/Expenditure Reports it is useful to use the percent balance figures. At September 30th we are one quarter into the fiscal year so using 25% as a target amount gives you a good indication of where we stand for completing the fiscal year.

General Fund

The actual receipts through September 30, 2014 are \$453,672 or 15.6% of the original budget. However, because TOT payments for the 1st quarter aren't received until October and secured taxes are not received until December general fund revenues are about where we expect them with sales tax being about the same as in the period last year.

On the expenditure side, total General Fund expenditures for the quarter total \$632,673 or 21.0% of the budget.

Enterprise and Special Revenue Funds

In the balance of the City's Enterprise Funds and Special Revenue Funds, the 1st quarter variances are relatively minor. All the Enterprise Funds' actual revenues are between

25.6% and 26.6% of the budgeted revenue. Actual expenditures for three of the funds are between 22.8% and 39.2% of the budgeted expenditures. The only exception is in the drainage fund where the expenditures are at 5.6% of budgeted expenditures.

Attachments:

1. Fund Balance Statement for All City Funds
2. General Fund Financial Summary for Period Ending September 30, 2014

General Fund Financial Summary for Period Ending: September 30, 2014

	Actual	Budget Original	1st QTR YTD Actual	% of Budget To-Date
	13-14	14-15	13-14	
REVENUES:				
Taxes	2,369,325	2,363,000	364,622	15.4%
Franchises	69,256	69,000	0	0.0%
State Subventions & Grants	12,011	13,000	0	0.0%
Fines & Forfeitures	26,050	23,000	2,293	10.0%
Interest & Rentals	2,887	2,150	313	14.6%
Permits & Licenses	30,732	31,150	5,188	16.7%
Current Service Charges	32,197	31,600	7,498	23.7%
Other Misc. Revenues	41,903	22,657	7,311	32.3%
Administrative Overhead	251,815	281,748	66,447	23.6%
Transfers In (From Other Funds)	149,139	80,000	0	0.0%
Total Revenues	2,985,315	2,917,305	453,672	15.6%
				of original
EXPENDITURES				
City Council	19,302	18,124	3,004	16.6%
City Administration	208,743	240,327	40,517	16.9%
City Clerk	3,016	6,530	747	11.4%
Finance	336,350	339,452	86,765	25.6%
Info Systems / Data Processing	31,767	43,360	29,834	68.8%
Insurance	113,149	142,750	14,229	10.0%
City Attorney	14,996	27,000	135	0.5%
Police	672,911	748,545	158,034	21.1%
Public Safety Dispatch	219,168	239,742	42,505	17.7%
Code Enforcement	35,436	40,155	7,493	18.7%
Fire	328,439	334,262	66,899	20.0%
Non Departmental	78,214	38,570	2,318	6.0%
Planning	80,826	78,986	21,262	26.9%
Community Promotion	104,381	115,347	28,597	24.8%
Public Works Admin	103,307	105,051	22,746	21.7%
Building Inspection	39,991	35,060	5,465	15.6%
Gov't Buildings	97,495	44,435	11,992	27.0%
Central Garage	137,036	98,336	37,343	38.0%
Streets	136,522	160,768	36,385	22.6%
Streets - Landscape Maint	2,600	10,465	532	5.1%
Street Cleaning	20,200	17,792	2,351	13.2%
Traffic Safety	69,946	48,852	10,663	21.8%
Snow Removal	24,439	78,667	2,856	3.6%
Total Expense	2,878,234	3,012,576	632,672	21.0%
FUND BALANCE				
Beginning Fund Balance	631,404	738,485	738,485	
Net Revenue / (Expense)	107,081	(95,271)	(179,000)	
Ending Fund Balance	738,485	643,214	559,485	

Fund Balance Statement for All City Funds **Budget 2014-2015**

Fund #	Fund Name	Fund Balance 7/1/2014	Budget Revenues	9/30/2014 Y-T-D Revenues	Available Funds	Adjustments Transfers In & (Out)	Budget Expenses	9/30/2014 Y-T-D Expenses	Ending Fund Bal/ W/ing Cap
10	General	738,485	2,910,148	453,672	1,192,157	0	2,992,019	632,673	559,484
12	Equipment Replacement	76,183	0	0	76,183	0	0	0	76,183
16	Development Impact Fees	8,430	0	0	8,430	0	0	0	8,430
20	Transportation	252,523	700	0	252,523	0	0	0	252,523
21	Transportation Projects	1,325	1,750,000	0	1,325	0	1,196,670	914,894	(913,569)
25	Gas Tax 2105	300,138	18,704	1,628	301,766	0	295,000	52,238	249,528
26	Gas Tax 2106	103,837	57,598	5,395	109,232	0	25,000	2,496	106,736
27	Gas Tax 2107	78,094	21,673	2,262	80,356	0	10,000	0	80,356
28	Gas Tax 2107.5	7,504	1,020	0	7,504	0	1,000	0	7,504
30	Drainage Operations	69,057	23,350	5,968	75,025	0	29,076	4,330	70,695
31	Drainage Improvement	43,150	1,100	0	43,150	0	0	0	43,150
35	Solid Waste Collections	116,114	588,993	156,902	273,016	0	561,313	127,764	145,252
40	Water User Less Non Current Assets	1,276,662	543,500	139,291	1,415,953	0	363,117	142,270	1,273,683
41	Water Improvement	421,360	8,000	0	421,360	0	0	0	421,360
45	Wastewater Less Non Current Assets	154,470	789,400	205,219	359,689	0	906,435	131,860	227,829
46	Wastewater Improvements	305,762	30,950	13,987	319,749	0	0	0	319,749
47	Wastewater/Water Grant Fund	0	700,000	0	0	0	700,000	37,667	(37,667)
50	Fire Assessment	15,186	48,200	0	15,186	0	43,633	1,345	13,841
55	Sewer Assessment Redemption	1,126	400	0	1,126	0	119,086	0	1,126
56	Sewer Assessment Admin	133,189	0	0	133,189	0	15,000	0	133,189
60	Community Development Grants	19,588	350,000	0	19,588	0	350,000	0	19,588
61	CDBG Revolving Loan Fund	7,922	25,600	6,207	14,129	0	90,000	19,317	(5,188)
63	F.E.M.A. Emergency Relief	6,255	0	0	6,255	0	0	0	6,255
65	C.O.P.S.	95,601	100,000	0	95,601	0	30,000	0	95,601
66	Parking District	(13,910)	12,500	8,774	(5,136)	0	8,700	0	(5,136)
67	Special Projects Grant	40,000	640,000	0	40,000	0	640,000	24,607	15,393
68	Library Fund	132,006	200,150	37,000	169,006	0	166,415	22,120	146,886
70	Beautification Projects Fund	1,291	6,000	250	1,541	0	6,000	651	890
71	Beautification Endowment Fund	3,866	375	42	3,908	0	450	450	3,458
75	Community Enhancement Fund	42,774	10,500	10,189	52,963	0	10,500	3,997	48,966
76	Fire Training Center	670	200	0	670	0	0	0	670
	Working Capital	4,438,658							3,366,765
99	General Fund Fixed Assets	9,960,200							9,960,200
	Drainage User Fund Fixed Assets	619,416							619,416
	Water User Fund Fixed Assets	1,941,641							1,941,641
	Wastewater User Fund Fixed Assets	6,493,830							6,493,830
	City Totals	23,453,745	8,839,061	1,046,786	5,485,444	0	8,559,414	2,118,679	22,381,852

City Council Agenda Item # 8

Date: November 24, 2014
To: Mayor and City Council
From: Nicole Dove, Administrative Secretary/Deputy City Clerk
Subject: Resolution Approving Canvass of Election Results

X	Regular Session
	Special Session
	Emergency Session
	Closed Session

Recommendation:

The City staff respectfully requests that the City Council receive this staff report and adopt Resolution No. CCR-14-63, with Exhibit "A", Reciting the Facts of the General Election Held on Tuesday, November 4, 2014, and Accepting the Certified Canvass and Statement of Results of the Election from the Registrar of Voters. As the City Council is aware, our Agenda documents are completed approximately a week prior to the City Council meeting. At the time this report was being developed, the County Clerk had not completed the audit of final canvassing. City staff will provide the City Council and community official Canvass of the Election Results and an updated Agenda staff report and resolution prior to the City Council meeting.

Background & Summary:

On May 12, 2014, Council adopted Resolution No. CCR-14-19 calling and giving notice of a General Municipal Election to be held on Tuesday, November 4, 2014 and requesting the Siskiyou County Board of Supervisors to consolidate this election with the State of California direct Statewide Final Election.

On November 4, 2014, voters went to the polls to cast their ballots to elect two (2) Mt. Shasta City Council Members to fill the vacancies resulting from the expiration of terms. There were three candidates who submitted Nomination Papers for the two vacancies on the City Council.

Consolidated Elections provide the County Elections Official 28 days to complete the canvass which falls on Monday, December 1, 2014. The Statement of Votes Cast, signed by the Registrar of Voters is provided as Exhibit "A" to the Resolution and will be provided to the City Council at the Regular City Council meeting on Monday, November 24, 2014.

The preliminary canvass reflects the votes as follows: (to be provided prior to the City Council meeting)

Name/Seat	Total Number Votes Cast For Seat	Votes Received	Percentage of Votes Cast
Tom Moore/City Council	_____	_____	_____
Timothy Stearns/City Council	_____	_____	_____
John Redmond/City Council	_____	_____	_____
Write In Votes/City Council	_____	_____	_____

ATTACHMENTS:

1. Proposed Resolution

RESOLUTION NO. CCR-14-63

A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MT. SHASTA
RECITING THE FACTS OF THE GENERAL ELECTION
HELD ON TUESDAY, NOVEMBER 4, 2014 AND
ACCEPTING THE CERTIFIED CANVASS
AND STATEMENT OF RESULTS OF THE ELECTION
FROM THE REGISTRAR OF VOTERS

WHEREAS, the City Council of the City of Mt. Shasta unanimously adopted Resolution No. CCR-14-19 on May 12, 2014 authorizing the consolidation of the City's local Election matters with the Statewide General Election held on Tuesday, November 4, 2014; and

WHEREAS, Notice of the Election was given in time, form and manner as provided by Law. Voting precincts were properly established; election officers appointed, and in all respects the election was held and conducted and votes were cast, received, canvassed, and the returns made and declared in time, form, and manner as required by the provisions of the Elections Code of the State of California for holding elections in general law cities; and

WHEREAS, on November 4, 2014, voters went to the polls to cast their ballots at the Statewide General Election to elect two City Council Members to fill vacancies on the Mt. Shasta City Council; and

WHEREAS, the Siskiyou County Registrar of Voters canvassed the returns of the election and certified the results to the City of Mt. Shasta; and

WHEREAS, the certified results from the Siskiyou County Registrar of Voters are attached hereto as "Exhibit A" *(to be provided to the City Council prior to the City Council meeting)*; and

WHEREAS, _____ (####) votes were cast out of the _____ (####) registered voters for District 2 casting a ballot for the candidates running for the office of the Mt. Shasta City Council, equating to _____ (####) percent of the total voters for District 2; and

WHEREAS, Tom Moore received a plurality vote of _____ (####) percent or _____ (###) votes from the total _____ (####) votes cast; and

WHEREAS, Timothy Stearns received a plurality vote of _____ (####) percent or _____ (####) votes from the total _____ (####) votes cast; and

WHEREAS, John Redmond received a minority vote of _____ (####) percent or _____ (####) votes from the total _____ (####) votes cast; and

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Mt. Shasta Ordains as Follows:

1. That Tom Moore and Timothy Stearns are appointed to the Mt. Shasta City Council to fill terms expiring November 2018 based on their having received a plurality of the votes cast at the November 4, 2014 General Election.
2. That the Certified Canvass and Statement of Results of the Statewide General Election from the Registrar of Voters is accepted and is attached hereto and made a part hereof as Exhibit "A".

The foregoing resolution was passed and adopted this 24th day of November, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF MT. SHASTA:

Timothy Stearns, Mayor

ATTEST:

Nicole Dove, Deputy City Clerk

EXHIBIT "A"

TO RESOLUTION CCR-14-63

(CERTIFIED CANVASS &
STATEMENT OF RESULTS
OF THE STATEWIDE
GENERAL ELECTION FROM
THE REGISTRAR OF VOTERS)

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City Council Agenda Item # 9

Date: November 24, 2014
To: Mayor and City Council
From: Nicole Dove, Administrative Secretary/Deputy City Clerk
Subject: Swearing in of Councilmember Stearns

X	Regular Session
	Special Session
	Emergency Session
	Closed Session

Background & Summary:

City Clerk John Kennedy will administer the Oath of Office to Timothy Stearns who received the plurality of votes at the November 4, 2014 General Election for his appointment to the Mt. Shasta City Council. Council Member Tom Moore, who also received the plurality of votes at the November 4, 2014 General Election for his appointment to the Mt. Shasta City Council, will be unavailable and will be Sworn In at the December 8, 2014 City Council meeting.

Financial Impact:

None.

Attachments:

None.

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City Council Agenda Item # 10

Date: November 24, 2014
To: Mayor and City Council
From: Nicole Dove, Administrative Secretary/Deputy City Clerk
Subject: City Council Selection of Mayor and Mayor Pro Tem

X	Regular Session
	Special Session
	Emergency Session
	Closed Session

BACKGROUND & SUMMARY:

In compliance with the City of Mt. Shasta Municipal Code, members of City Council shall select a member of the Mt. Shasta City Council to serve as Mayor and a member of the Mt. Shasta City Council to serve as Mayor Pro Tem, both for a 12 month period beginning immediately upon selection.

Financial Impact:

None.

Attachments:

None.

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City Council Agenda Item # 11

Meeting Date: November 24, 2014

To: Mayor and City Council

From: Rod Bryan, Public Works Director

Subject: Equipment Replacement

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<input type="checkbox"/>	Closed Session

Recommendation:

Staff respectfully requests the City Council adopt the Proposed Resolution authorizing the purchase of a used dump truck

Background & Summary:

As presented and discussed in numerous previous budget sessions, staff is recommending the purchase of a used 2009 GMC 8500 dump truck. The City has been planning for this purchase for the last several years, and has been setting aside money in the Equipment Replacement Fund to do so. The replacement of this piece of equipment is also included in the adopted 2014/15 Fleet & Equipment Replacement Program.

The City mechanic went down to inspect the truck and has indicated it to be in good working order, with only a couple of minor issues to fix.

It is staff's recommendation that Council adopt the proposed Resolution authorizing the purchase from United Rentals in the amount of \$75,000.

Financial Impact:

\$75,000 appropriation from the Equipment Replacement Fund

Attachments:

1. Proposed Resolution

RESOLUTION NO. CCR-14-64

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MT. SHASTA
AUTHORIZING THE PURCHASE OF A
10 YARD DUMP TRUCK FROM
UNITED RENTALS
IN AN AMOUNT NOT TO EXCEED \$75,000**

WHEREAS, the City of Mt. Shasta City Council has adopted previous fiscal year budgets and the Fleet and Equipment Replacement Program with \$75,000 allocated for a replacement Dump Truck; and

WHEREAS, the purchase will replace a 1985 Ford that has been taken out of service; and

WHEREAS, the equipment will also enable the City of Mt. Shasta to maintain compliance with California Air Resources Board Fleet Regulation for Public Agencies which achieves reductions in diesel particulate matter emissions; and

WHEREAS, staff has received a quote from United Rentals for a used Model GMC 8500 for a reduced price of \$69,441; and

WHEREAS, staff has determined that the purchase of a used model provides the best deal for the City of Mt. Shasta; and

WHEREAS, the City Council of the City of Mt. Shasta makes the determination that the purchase of used demo model equipment is considered sole source and is in accordance with City of Mt. Shasta Municipal Code Chapter 3.50 Purchasing System.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MT. SHASTA AS FOLLOWS:

1. The City Council of the City of Mt. Shasta hereby authorizes the purchase of a used GMC 8500 Class A Dump Truck from United Rentals in an amount not to exceed \$75,000.
2. The City Council of the City of Mt. Shasta hereby determines that the purchase is in accordance with City of Mt. Shasta Municipal Code Chapter 3.50 Purchasing System.
3. The City Council of the City of Mt. Shasta further appropriates \$75,000 from the Equipment Replacement Fund.

The foregoing resolution was approved and adopted on this 24th day of November 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

DATED: November 24, 2014

ATTEST:

CITY OF MT. SHASTA:

Nicole Dove, Deputy City Clerk

Timothy Stearns, Mayor

City Council Agenda Item # 12

Meeting Date: November 24, 2014

To: Mayor and City Council

From: Parish D. Cross, Police Chief

Subject: Public Hearing: Approving Fiscal Year 2014-2015 Citizens Option for Public Safety (COPS) Program Appropriation

X	Regular Session
	Special Session
	Emergency Session
	Closed Session

Recommendation:

Staff requests the City Council adopt the attached resolution to conduct a public hearing for the purpose of taking comment regarding the Chief's recommendation to adopt Resolution CCR-14-65. Resolution stating City of Mt. Shasta appropriating \$100,000 of Citizen's Option for Public Safety Program allocations in the Supplemental Law Enforcement Services Fund for the 2014/2015 fiscal year.

Background & Summary:

Staff respectfully recommends continuance of our program to supply patrol personnel with equipment needed to complete frontline patrol activities and in addition, as in the past, funding to be used to support the supplemental positions that were created in the 04/05 fiscal year.

We respectfully request The Mayor and Council appropriate \$100,000.00 funding as follows:

1. Supplemental Staffing 70%
2. Equipment needs and continuation of vehicle rotation program 30%, plus any additional amounts that are to be paid due to interest or carry-over.

Financial Impact:

Aside from staff time, the police department will not see any negative impact regarding the COPS funding.

Attachments:

1. Public Hearing Notice
2. Resolution



Notice of Public Hearing

NOTICE IS HEREBY GIVEN that the Mt. Shasta City Council will hold a public hearing at their regularly scheduled meeting of Monday, November 24th, 2014 at the hour of 5:30 p.m. or as soon thereafter as possible in the Council Chambers at the Mt. Shasta Community Center, 629 Alder Street, Mt. Shasta, California.

Citizens Options for Public Safety (COPS Program) – Funding: AB 1913 in the City of Mt. Shasta.

The purpose of the public hearing is to receive input from the public regarding the Police Chief's request for appropriations of monies from the COPS Program.

The request includes expending funds for equipment, vehicles and for addition and retention of employees.

Those citizens in attendance are encouraged to ask questions and express their viewpoints. The City also invites written comments to be submitted to: Deputy City Clerk, City of Mt. Shasta, 305 North Mt. Shasta Boulevard, Mt. Shasta, CA 96067. For additional information you may contact City Hall at the address listed above or by telephoning (530) 926-7510 between the hours of 9:00a.m. and 4:00 p.m.

RESOLUTION NO. CCR-14-65

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MT. SHASTA
APPROPRIATING \$100,000.00 OF
CITIZENS' OPTION FOR PUBLIC SAFETY PROGRAM ALLOCATIONS
IN THE SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND
FOR THE 2014-2015 FISCAL YEAR**

WHEREAS, the State of California has enacted legislation allocating to cities from the Supplemental Law Enforcement Services Funds a minimum of 100,000.00 plus an amount based upon population for the 2014-2015 fiscal year; and

WHEREAS, pursuant to said legislation, the Chief of Police has submitted a written request for the appropriation of these funds for the purposes of meeting the front line law enforcement needs of the City of Mt. Shasta; and,

WHEREAS, pursuant to said legislation, the City Council has held a public hearing on this date for the purpose of taking public comment on the consideration of the request of the Chief of Police; and,

WHEREAS, the City Council has determined that the Chief of Police's requests are appropriate for enhancing the front line law enforcement capabilities of the City of Mt. Shasta.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mt. Shasta that an appropriation in the amount of One Hundred Thousand Dollars (\$100,000), is hereby made from the Citizens Option for Public Safety Fund (Supplemental Law Enforcement Services Fund) allocated as follows:

1. 70% to be utilized for enhanced staffing benefits, on-call dispatch, and staffing for community services. This amount to be transferred to the General Fund where those costs are to be recorded.
2. 30% plus any additional amounts that may be paid due to interest or carry-over, to be utilized for the acquisition of a new patrol vehicle, and/or police department safety and communications equipment.

BE IT FURTHER RESOLVED that the Chief of Police, with approval of the City Council, is authorized to make an adjustment of up to \$10,000 between these allocations, so long as the original intent of the overall allocation remains intact.

The foregoing resolution was approved and adopted this 24th day of November, 2014 by the following vote:

AYES: Council Members

NOES:

ABSENT:

ABSTAIN:

DATED: November 24, 2014

ATTEST:

CITY OF MT. SHASTA:

Nicole Dove, Deputy City Clerk

Timothy Stearns, Mayor

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